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The Sun never sets on the new British Empire



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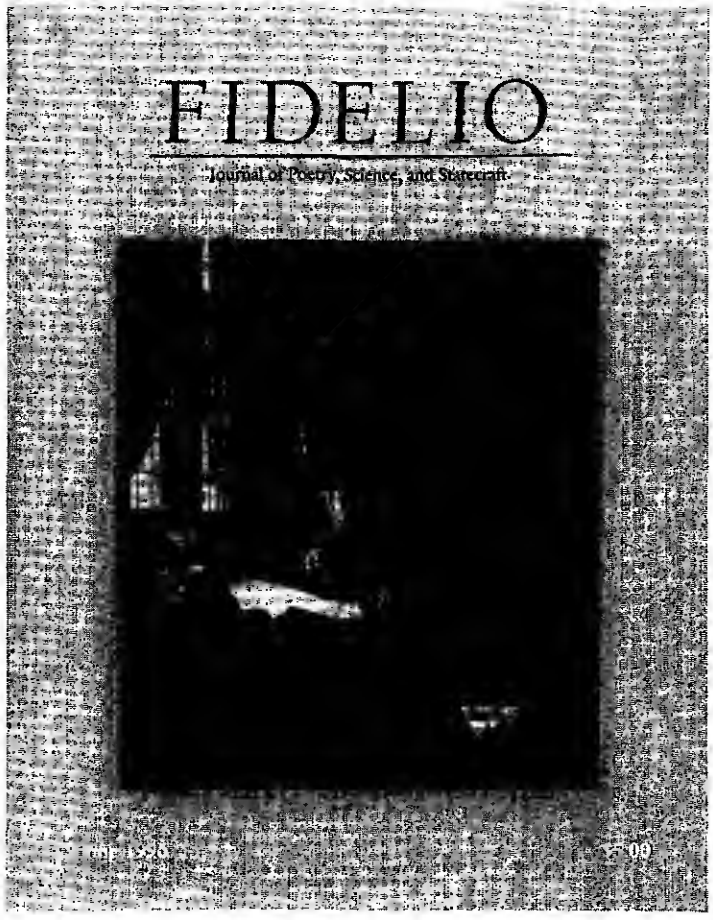
by Lyndon H. LaRouche, Jr.

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Tel: (6122) 9160. Executive Directors: Anno Hellenbroich, Michael Liebig

In Denmark: EIR, Post Box 2613, 2100 Copenhagen ØE, Tel. 35-43 60 40

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EIR

From the Associate Editor

This special *EIR* offprint of our issue of May 24, 1996 (Vol. 23, No. 22) is devoted entirely to the subject of the "new" British Empire: what it is, how it developed historically, what and whom it controls, and what its strategic gameplan is.

Many people suffer from the delusion that the British monarchy is no longer of any importance these days; that the views of *EIR* and Lyndon LaRouche on this matter are perhaps "exaggerated." This delusion is particularly common in Russia, where people are accustomed to blame the United States, and not the British oligarchy, for the suffering their nation is currently undergoing. After all, isn't the United States the world's only remaining superpower? The British are a bit down-at-heel, are they not? Hasn't the Empire been disbanded, replaced with a Commonwealth of independent nations? As for the House of Windsor, isn't it pretty much of a joke these days?

Beginning with our *Special Report* of Oct. 28, 1994, "The Coming Fall of the House of Windsor," *EIR* has presented extensive documentation of how the British control apparatus really works. We have exposed the British monarchy's role in creating the "green" movement (issue of Jan. 13, 1995) and the terrorist international (Oct. 13, 1995, Nov. 10, 1995, and Nov. 17, 1995). Through selected historical case studies, we have shown how the British imperial *modus operandi* continues to the present day (a new "Triple Entente"—March 24, 1995; the Pacific Theater—May 12, 1995; the case of Sudan—June 9, 1995; the Transcaucasus—April 12, 1996).

This *Special Report* develops new dimensions of the picture: the role of the Commonwealth itself, the Queen's Privy Council, and the interlocking directorates of the titled nobility and the corporations that have a stranglehold on key commodities and raw materials worldwide, as well as on the communications media.

Susan Welsh

EIR Contents

Errata: The article on p. 21, "The Queen's 'Honorary Knights' in America," contains errors respecting British honorary titles, of putative U.S. citizens, which had been supplied by British official sources. Continuing inquiry has developed informatioo from higher authorities. Gen. Colin Powell is actually a Knight Commander of the Order of the Bath, making him the third-highest knight in the United States, just below Presidents Reagan and Bush (and above Henry Kissigner). Caspar W. Weinberger is a Knight Grand Cross of the British Empire.

On p. 25, footnotes 2 and 3 are reversed.

Special Report



Queen Elizabeth II and Royal Consort Prince Philip with the Commonwealth heads of government in New Zealand, Oct. 11, 1995.

4 The Sun never sets on the new British Empire
The idea that the British Empire is a relic of the past, of little consequence in modern affairs, is a dangerous myth. Jeffrey Steinberg analyzes the policy shift currently under way.

Photo and graphic credits: Cover, John Stillwell/PA News Photo Library. Pages 5, 30, London Press Service. Pages 7, 23, 45-52, EIRNS/ John Sigerson. Pages 15, 16, EIRNS/Lenore Sanders.

I. The Monarchy

10 The Nazi roots of the House of Windsor
One of the biggest public relations hoaxes ever perpetrated by the British Crown, is that King Edward VIII, who abdicated the throne in 1936, due to his support for the Nazis, was a "black sheep."

12 The ultimate insider trader is the Queen
One of the secrets to Elizabeth II's fabulous wealth is that she amassed it tax free until 1992. The other secret is that she not only gets tips from British financiers, but also has access to all the state secrets, through the "boxes."

14 Her Majesty's 'Prerogative Powers'
The "constitutional monarchy" is a myth.

19 Sir Paul Mellon, lord of Loudoun

21 The Queen's 'honorary knights' in America
No American official shall hold a title of nobility without approval of Congress—but the British monarchy has found a way to reward prominent Americans for their lifetime service to the British Empire.

22 British Empire buys the U.S.A.
In the last two years, the British Empire has replaced Japan as America's number one creditor.

Volume 23, Number 22, May 24, 1996

II. 'Empire of the Mind'

24 Tavistock's imperial brainwashing project
Colonialism still exists in its most powerful form, as a state of mind of the subject peoples, even after nominal independence.

29 The invisible empire of NGOs
The Commonwealth Foundation of Britain defines them as "voluntary, independent, not-for-profit organizations," seeking to "improve the circumstances and prospects of disadvantaged people" and "to act on concerns and issues which are detrimental to society as a whole." The NGOs' real business: coups, subversion, civil wars, discrediting of governments, and revolution.

31 Martin Palmer: Prince Philip's guru

33 The new Empire's propaganda machine
Not only does Britain not have a free press, but most Americans get their international news from a cartel run top-down by British intelligence.

III. The Empire Restored

38 Chatham House issues the marching orders
Out of the Royal Institute of International Affairs, comes a manual by Katharine West for reestablishing the Empire in the wake of the fall of the Berlin Wall.

41 RIIA conference: 'Britain in the World'
Privatization is the watchword when British elites gather to map their assault on the nation-state.

IV. The Club of the Isles

43 Raw materials cartels lock up world economy
Introducing the Club of the Isles: three to five thousand fabulously rich oligarchs clustered around the British Crown.

53 The Anglo-Dutch corporate empire
A road map of the interlocking corporate apparatus that dominates "choke points" within the global economy, especially finance, insurance, raw materials, transportation, and consumer goods.

EIR Special Report

The Sun never sets on the new British Empire

by Jeffrey Steinberg

"Before she set out on her Diamond Jubilee procession, on the morning of 22 June 1897, Queen Victoria of England went to the telegraph-room at Buckingham Palace. . . . It was a few minutes after eleven o'clock. She pressed an electric button, an impulse was transmitted to the Central Telegraph Office in St. Martin's le Grand; in a matter of seconds, her Jubilee message was on its way to every corner of her Empire. It was the largest Empire in the history of the world, comprising nearly a quarter of the land mass of the earth, and a quarter of its population. Victoria herself was a Queen-Empress of such aged majesty that some of her simpler subjects considered her divine, and slaughtered propitiatory goats before her image."

—James Morris, in *Pax Britannica* (London: The Folio Society: 1992)

"What are the powers we deal with? Well, first of all, the largest power we have to deal with, is called the British Empire. Don't let anybody tell you it's the United Kingdom. The United Kingdom is not a nation, it's a plantation, occupied by about 5,000 people, who are among the wealthiest, and dirtiest, and meanest people on this planet, who form an oligarchy. . . .

"Now, that empire, which the British effectively control, except for a few dissident nations that don't like it, that empire represents about one-fifth of the world's land area; it represents about 30% of the world's population. It controls 48-50% of the world's financial turnover, including the $3.5 trillion a day derivatives turnover. It controls the majority of the world's international trade in what are called strategic metals, such as the metals that are required for most industry. It controls the majority of the international trade in petroleum. . . . These interests, the Anglo-Dutch-Swiss, Cargill et al., complex, control the majority of the international food trade, in a time of grave food crisis worldwide."

—Lyndon LaRouche, March 16, 1996

In the minds of the political, industrial, and intellectual elites of the overwhelming



Queen Elizabeth II during a visit to Jamaica. The Queen is one of the most wealthy people in the world, and, contrary to popular mythology, she is also one of the most powerful.

majority of nations of the world today, there exists a deadly dangerous myth: that the British Empire has disappeared from the face of the Earth; and that Great Britain, the United Kingdom, is of little consequence in world affairs.

According to this legend, Britain's royal family is a powerless relic of days gone bye, collecting its modest pension, fulfilling its ceremonial obligations, and, perhaps, drawing in a few tourist dollars, to justify its upkeep. In the extreme version of this Big Lie, today's Britain is cast in the role of a benign force in world affairs, a "friend of the downtrodden," and "diligent defender of human rights."

Even the recent, shameless public displays of sexual gymnastics by Queen Elizabeth II's "Baby Boomer" offspring, and the voluminous "soap opera" news coverage that they have generated, have only added to this mis-evaluation. (When dealing with hereditary monarchies, decadence can never be reliably used as an indicator of decline. Rather, it must be understood as a way of life. See, for example, eighteenth-century British intelligence figure Jeremy Bentham's "In Defense of Pederasty," the companion piece to his more widely known "In Defense of Usury." These two documents convey an efficient definition of the monarchical-oligarchical outlook.)

In the minds of many leading world figures, including in Russia, the "enemy image" of the British Empire of old, has been replaced by that of a modern "imperial power," the United States of America.

The authorship of both of these complementary hoaxes—the demise of the British Empire, and its replacement by the U.S.A. as the new "Great Satan"—is traceable to Britain's own vast propaganda and intelligence apparatus, associated with such institutions as British Broadcasting Corp., Reuters News Service, the Hollinger Corp., the Tavistock Institute, the Mont Pelerin Society, Oxford and Cambridge universities, the British Commonwealth, and His Royal Highness Prince Philip's World Wildlife Fund. With the recent enthusiastic revival of the century-old Anglo-French Entente Cordiale, French intelligence agents and propagandists have joined in the America-trashing campaign, especially inside Russia.

From Khartoum, to Moscow, to Buenos Aires, among policymakers and culture-shapers, this British-orchestrated game of historical revisionism has taken deep root. Its disorienting effect has opened the door to possibly grave and irreversible policy blunders.

Hence, this *EIR* strategic study.

Strategic importance of debunking the myth

If the human race is to survive the coming global financial and monetary blowout, without going through a protracted New Dark Age, in which billions needlessly die, it will be necessary for the United States, Russia, and China—as the three great world powers today—to revive the World War II alliance against the British Empire, which was the cornerstone of the late U.S. President Franklin Delano Roosevelt's post-colonial strategic vision.

The first order of business of such a revived "FDR Coali-

tion," is to dump the International Monetary Fund (IMF) system and organize a new set of global financial and monetary agreements, based on sound principles of national banking and scientific and technological progress. These principles formed the basis for the U.S. Constitution and what came to be known, during the nineteenth century, as the American System of Political Economy.

Although neither Russia nor China ever achieved the full status of nation-statehood, there are powerful forces inside both countries today, that aspire to such a circumstance. They are potential natural allies of the United States in an anti-world government, anti-British Empire, anti-IMF concert.

To achieve that goal, the circumstances of the collapse of that Roosevelt policy must be grasped.

With the untimely death of FDR on April 12, 1945, a great moment found a little man, FDR's successor and Winston Churchill's willing dupe, Harry S Truman. Truman succumbed to Sir Winston's vision of a postwar Anglo-American strategic partnership—the proverbial "British brains, merged with American brawn." He approved the dropping of the atomic bombs on Hiroshima and Nagasaki, even though the Japanese emperor had sent clear signals (via the Vatican and certain reliable U.S. Office of Strategic Services personnel) that Japan was prepared to surrender, and even though American military strategists were aware that Japan had already been effectively defeated, largely through the effects of a successful U.S. naval embargo.

With Churchill's 1947 "Iron Curtain" speech in Fulton, Missouri, the last prospects of Russian-American and Sino-American cooperation were scotched, and the Cold War was on.

Under Cold War conditions, and, as the result of the horrors of Hiroshima and Nagasaki, Lord Bertrand Russell's scheme for using thermonuclear terror ("Mutually Assured Destruction," or MAD) as a battering ram against the nation-state, and as a weapon for forging a one-world government, under United Nations rubric, proceeded apace.

At only one point during the Cold War era, during the John F. Kennedy Presidency, was there a glimmer of hope of the United States breaking from the Russellite paradigm. Twenty years before Ronald Reagan, President Kennedy invoked the idea of "peace through strength" and strategic defense, launched the Apollo program to put a man on the Moon, and revived facets of the American System of Political Economy, through investment tax credits, and the printing of U.S. Treasury bills, the first step in a move that, had he lived, would have likely led to a severe curtailment of the independent power of the Federal Reserve System. Kennedy paid with his life for this break with Britain and with the Russellite one-world empire. Lord Russell and British intelligence figure Sir Hugh Trevor-Roper, in 1964, launched the "British Who Killed Kennedy Committee," the first "critique" of the Warren Commission report, to ensure that London's hand in the JFK murder and coverup was never exposed.

With a very few exceptions, the United States, and the world, have been in an accelerated economic and cultural decline ever since the Kennedy assassination.

The fall of the Berlin Wall in 1989, and the collapse of the Soviet Union in 1991, bringing to an end the Cold War, defined a moment of great opportunity. British Prime Minister Margaret Thatcher, and her obedient lap-dog, U.S. President George Bush, instead accelerated the drive to implement Lord Russell's "world government," calling it "the new world order." They set about imposing, upon the states of the former Warsaw Pact, IMF conditionalities, as harsh as those which spread genocide in Africa, Asia, and Ibero-America over the previous 15 years. With the 1991 "coalition" war against Iraq, the precedent was set for the final implementation of the new empire.

These plans were disrupted, however, with the 1992 election of William Jefferson Clinton as President of the United States. President Clinton, with some institutional backing, has broken the Anglo-American "special relationship," and gotten into what Lyndon LaRouche has described as "a war and a half" with the British.

The most noteworthy conflicts between Washington and London have taken place over: the British-instigated and abetted Serbian genocide in the former Yugoslavia; the U.S.-sponsored Middle East peace process; and Northern Ireland. When President Clinton travelled to Bonn and Berlin in July 1994 to hold a summit with Chancellor Helmut Kohl, he stunned the British establishment by declaring a new "strategic partnership" with Germany. Every major London press outlet immediately pronounced the "Anglo-American special relationship" defunct.

Months earlier, senior officials of the Clinton administration had hinted at a break with the IMF, suggesting that Russia needed "less shock and more therapy." Even those mild rebukes, of the most draconian of the British-IMF austerity policies, provoked a wave of British-mandated press slanders, and nearly a score of assassination threats and attempts against the U.S. President.

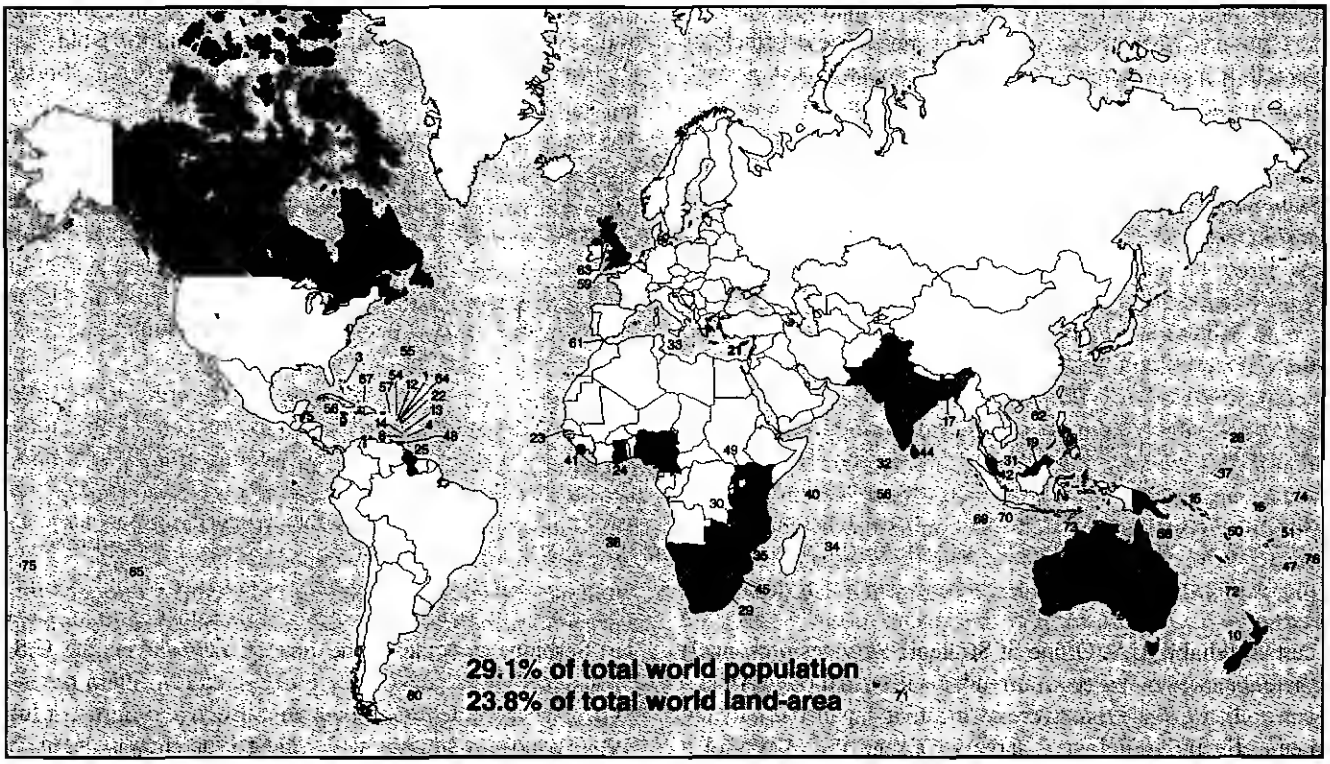
President Clinton must now throw his support behind a Russian institutional break with the IMF. An American-Russian agreement to scrap the already hopelessly bankrupt IMF system is the most efficient form of warfare against the British Empire that can be undertaken today. China would readily join in such an alliance, as would many other important regional powers. Failure by President Clinton to take such an initiative at this time, could produce incalculable, tragic consequences.

The first step is to bust up the prevailing mythology that the British Empire is a thing of the past.

Alive and prospering

The British Empire is very much alive and well today. Behind closed doors at such locations as Chatham House, the London headquarters of the Royal Institute for International Affairs (RIIA), blueprints for the consolidation of one-world empire, drawing upon the resources of the British Common-

The British Commonwealth



Country	Population	Land-area (km^2)
Where Queen Elizabeth II is Sovereign:		
1. Antigua and Barbuda	65,000	442
2. Australia	17,800,000	7,682,300
3. Bahamas	300,000	13,939
4. Barbados	300,000	431
5. Belize	200,000	22,965
6. United Kingdom	57,649,000	244,100
7. Canada	29,100,000	9,976,186
8. Grenada	100,000	344
9. Jamaica	2,500,000	11,424
10. New Zealand	3,524,800	270,534
11. Papua New Guinea	4,000,000	462,640
12. St. Kitts and Nevis	40,000	262
13. St. Lucia	100,000	616
14. St. Vincent and the Grenadines	100,000	389
15. Solomon Islands	400,000	29,785
16. Tuvalu	9,666	26
Where Elizabeth II is not formally sovereign:		
17. Bangledesh	116,800,000	143,998
18. Botswana	1,400,000	600,360
19. Brunei Derussalam	300,000	5,765
20. Cameroon	13,100,000	475,442
21. Cyprus	725,000	9,251
22. Dominica	100,000	751
23. The Gambia	1,100,000	10,600
24. Ghana	16,900,000	238,537
25. Guyana	800,000	214,969
26. India	911,600,000	3,185,019
27. Kenya	27,000,000	582,646
28. Kiribati	76,320	726
29. Lesotho	1,900,000	30,355
30. Malawi	9,500,000	118,484
31. Malaysia	19,500,000	332,370
32. Maldives	200,000	298
33. Malta	400,000	316
34. Mauritius	1,100,000	2,040
35. Mozambique	15,800,000	799,380
36. Namibia	1,600,000	824,296
37. Nauru	9,882	21
38. Nigeria	98,100,000	923,853
39. Pakistan	128,400,000	803,936
40. Seychelles	100,000	453
41. Sierra Leone	4,600,000	71,740
42. Singapore	2,792,000	639
43. South Africa	47,966,000	1,317,365
44. Sri Lanka	17,900,000	65,610
45. Swaziland	800,000	17,363
46. Tanzania	29,800,000	945,037
47. Tonga	103,949	751
48. Trinidad and Tobago	1,300,000	5,128
49. Uganda	19,800,000	236,880
50. Vanuetu	200,000	14,763
51. Western Samoa	200,000	2,831
52. Zambia	9,100,000	752,618
53. Zimbabwe	11,200,000	390,308
Dependent territories of Britain, Australia, New Zealand:		
British:		
54. Anguilla	8,800	91
55. Bermuda	60,686	52
56. British Indian Ocean Tarritory	0	220
57. British Virgin Islands	16,108	153
58. Cayman Islands	29,700	259
59. Channel Islands	142,975	311
60. Falkland Islands and Dependancies	1,900	12,173
61. Gibraltar	28,848	8
62. Hong Kong	5,800,000	1,077
63. Isle of Man	69,788	572
64. Montserrat	12,817	98
65. Pitcairn Island	65	5
66. St. Helena and Dependencies	6,698	310
67. Turks and Caicos Islands	12,697	500
Australian:		
68. Corel Sea Islands Tarritory	0	5
69. Cocos Islands	597	50
70. Christmas Island	929	135
71. Heard Island and McDonald Islands	0	409
72. Norfolk Island	2,620	36
73. Ashmore and Cartier Islands	0	1
New Zealand:		
74. Tokelau	1,600	10
75. Cook Islands	17,977	241
76. Niua	1,751	259
Total	**1,632,477,973**	**31,858,455**

wealth and the United Nations Organization (UNO), have already been drawn up, and construction is under way.

The fact that the most powerful nations on Earth (not including the British Empire, which is not a nation)—the United States; a temporarily impaired, but thermonuclear-armed Russia; and China—have, so far, stood impotent in the face of IMF diktats, and made no effort to prevent the formation of the World Trade Organization, the "third leg" of the United Nations world financial dictatorship, illustrates the extent to which supranational world government is already a reality.

As LaRouche noted above, the United Kingdom itself has very little to do with the new British Empire. England, Scotland, Wales, and, especially, Northern Ireland, are today little more than slave plantations and social engineering laboratories, serving the needs of a collection of families, numbering no more than 3,000-5,000 people, who live and work in and around the City of London, a one-mile-square financial and corporate district, which represents the greatest concentration of financial power ever assembled in one location.

These families constitute a financier oligarchy; they are the power behind the Windsor throne. They view themselves as the heirs to the Venetian oligarchy, which infiltrated and subverted England from the period 1509-1715, and established a new, more virulent, Anglo-Dutch-Swiss strain of the oligarchic system of imperial Babylon, Persia, Rome, and Byzantium.

Among their own ranks, these financier oligarchs refer to themselves as the Club of the Isles, after the original "Prince of the Isles," Edward Albert (King Edward VII), the son of Queen Victoria, who orchestrated the Crimean War, the Opium Wars, the Russo-Japanese War, and World War I, to consolidate Britain as the *primus inter pares* of the European monarchies and feudal families. The Club of the Isles, under the direction of the British monarchy, draws in resources and personalities from the Netherlands, Switzerland, France, Germany, and Italy, and orchestrates the actions of a caste of terminally Anglophilic Americans, typified by Henry Kissinger and former President George Bush.

To begin to understand the breadth and scope of the British Empire today, it is necessary to look first at the British Commonwealth, as the Club of the Isles is itself looking at it.

In 1995, the RIIA published *Discussion Paper 60,* by Katharine West, titled "Economic Opportunities for Britain and the Commonwealth." West, an Australian professor and business consultant, on retainer with Chatham House, made a compelling case, that the 52 nations that comprise the British Commonwealth have the potential to dominate every regional economic bloc in the world, from the Group of 77, to the Organization of Petroleum Exporting Countries, to the Organization of African Unity, to the Association of Southeast Asian Nations, to the North Atlantic Treaty Organization, and, even the North American Free Trade Agreement. The Commonwealth, which includes one out of every three nations on this planet, comprises the largest single voting bloc in the UN General Assembly, making the Warsaw Pact at the height of Soviet Russian power, pale by comparison (see map).

The City of London dominates the world's speculative markets (see **Table 1**). A tightly interlocking group of corporations, involved in raw materials extraction, finance, insurance, transportation, and food production, controls the lion's share of the world market, and exerts virtual "choke point" control over world industry.

In a recent column in the Club of the Isles' flagship publication, the London *Times,* Washington, D.C. *Sunday Times* bureau chief James Adams candidly admitted that the banking houses in the City of London are now laundering $400 billion per annum in illegal narcotics profits. The British Commonwealth subsumes many of the world's most notorious flight-capital and hot-money havens. The Mont Pelerin Society, the radical-free market secret organization founded in 1947 by Friedrich von Hayek, and patronized today by Prince Philip, maintains the most accurate accounting ledgers on the world's underground economy. How is that possible? Because the Club of the Isles, since the era of the Opium Wars against China, and the escapades of Lord Palmerston's personal agent Giuseppi Mazzini in the last century, has been the leading sponsor and controller of global organized crime.

'A concentration camp of the mind'

The importance of Club of the Isles control over organized crime cannot be understated. Lord William Rees-Mogg, a life peer in the House of Lords, a former editor-in-chief of the London *Times,* and British intelligence's current chief case officer for the propaganda war against U.S. President Clinton, has written recently that the world is moving into a post-industrial "Third Wave" paradigm, which will see the erosion of nation-states, and their replacement by a form of one-world "electronic feudalism." In Rees-Mogg's Brave New World, only 5% of the population, the "cognitive elite" or "Brain Lords," will prosper and enjoy the fruits of modern technology. The vast majority of peoples of the world are doomed to a life of misery.

To prevent social unrest under these brutal conditions, the British financier oligarchy has gone to great lengths, since the Kennedy assassination, to foster a drug-rock-sex counterculture, that serves, in the words of Aldous Huxley, as "a concentration camp of the mind." From the ranks of that counterculture, Prince Philip, his World Wildlife Fund, and its "1,001 Club" adjunct, have recruited a radical environmentalist movement, a neo-pagan gang like the Hitler Youth of the 1920s.

To achieve world empire, as Prince Philip has admitted, 80% of the world population must be eliminated within two generations. Over 4 billion people are to die to realize the Windsor/Club of the Isles New Dark Age!

This strategic study

The documentary report that follows is broken down into four principal sections.

The first section deals with the British monarchy itself. Contrary to all popular myths, Queen Elizabeth II is one of the most powerful and wealthy figures in the world, wielding absolute power over the lives of 1.5 billion people. You will learn about the formal powers of the monarchy, and learn the identities of some of America's most famous politicians and military officers, who have been sworn to allegiance to the Queen, in violation of the U.S. Constitution.

The second provides a picture of Britain's vast propaganda and psychological warfare machinery, which maintains control over the flow of information throughout the Commonwealth and beyond, and is the principal apparatus through which a new form of mental-slavery, an "imperialism of the mind," has been fostered. You will learn that the thousands of non-governmental organizations that are working in every country to undermine the nation-state, are dominated by English lords and ladies, all reporting to the Queen's Privy Council.

The third section takes the reader into the corridors of Chatham House, and other centers of British intelligence, where the future structure of the new British Empire has been charted.

Finally, we provide you with profiles of the corporations that make up the interlocking board of directors of the Club of the Isles, and provide a picture of how they wield this concentration of wealth as a weapon of economic warfare against every nation on Earth.

Treat this report as a combat manual for a war against the British Empire. The survival of all nations, and billions of human beings, depends on victory over this new empire, and that victory begins with knowledge of the nature of the enemy.

TABLE 1

The City of London's share of world financial turnover, 1993

	£ billions (millions of contracts)	London as percent of world
Equity (stock) markets trading		
Trading in domestic equity securities—SEAQ	£282	6.0%
Trading in equities in markets foreign to those equities' domicile (e.g., IBM traded in London)—SEAQ-International	£290	64.0%
Corporate debt securities (bonds) trading		
Trading in domestic corporate debt	No data available	
Trading in debt borrowed in markets foreign to borrowers' domicile (i.e., IBM bonds issued in London)	£2,866	75.0%
Eurobond (secondary) trading		
Government debt securities (bonds) trading	No data available	
Foreign exchange trading		
Spot and derivatives (including futures)	£44,559	27.0%
Exchange traded futures and options		
Interest rate futures and options	(90.55)	11.0%
Commodity futures and options	(52.764)	15.0%
Equity options	(8.206)	4.7%
Over the counter swaps, forwards, and options		
Swaps	£1.23	35.0%
Mortgage derivatives	No data available	
Other measures of financial turnover		
International bank lending	£884	15.8%
International insurance premiums for non-life direct business and reinsurance	£8,645	7.5%
International cross-border mergers and acquisitions	£17.1	45.0%
Shipbroking commissions	£0.275	50.0%

It is clear that the City of London dominates the world's financial turnover, out of all proportion to the United Kingdom's relative weight in the world economy. As measured, rather poorly, by Gross Domestic Product, Britain's economy accounts for just over 3% of the world's GDP. However, these figures report only on the financial turnover of the City of London itself, and not of the many institutions and countries around the world that are directed, to some degree or another, by the British Empire. For example, if foreign-exchange trading in Canada, Australia, Singapore, Hongkong, and a few other British Commonwealth countries is added to the 27.0% reported here, the British Empire's share becomes 45.0%. If the foreign-exchange trading of many other institutions were added, such as J.P. Morgan and Co., nominally a U.S. bank, but historically a key agent of British influence within the United States, then the share attributable to the Empire becomes even greater.

In other words, as large as these figures are for just the United Kingdom, they do not reflect the fact that many of these financial markets are almost completely denominated by, and, in fact, were brought into existence by, the British Empire. The Eurobond market, for example, began with S.G. Warburg's floating of a bond for the Italian firm Autostrade in 1963. Another example: The present monstrous size of the foreign-exchange markets was ensured by a series of British actions beginning in the late 1940s, not the least of which was the threat of the British ambassador to the United States, in spring 1971, to redeem all British government holdings of U.S. dollars for gold. It was this action by the British ambassador that precipitated President Richard Nixon's August 1971 decision—guided by British agent of influence, later chairman of the U.S. Federal Reserve, Paul Volcker—to shatter the world system of fixed exchange rates by letting the dollar float relative to gold.

Source: *The Competitive Position Of London's Financial Services*, The City Research Project, London Business School, March 1995.

I. The Monarchy

The Nazi roots of the House of Windsor

by Scott Thompson

One of the biggest public relations hoaxes ever perpetrated by the British Crown, is that King Edward VIII, who abdicated the throne in 1936, due to his support for the Nazis, was a "black sheep," an aberration in an otherwise unblemished Windsor line. Nothing could be further from the truth. The British monarchy, and the City of London's leading Crown bankers, enthusiastically backed Hitler and the Nazis, bankrolled the Führer's election, and did everything possible to build the Nazi war machine, for Britain's planned geopolitical war between Germany and Russia.

Support for Nazi-style genocide has always been at the heart of House of Windsor policy, and long after the abdication of Edward VIII, the Merry Windsors maintained their direct Nazi links.

So, when Prince Philip, co-founder with Prince Bernhard of the Netherlands of the World Wildlife Fund (WWF), tells an interviewer that he hopes to be "reincarnated as a deadly virus" to help solve the "population problem," he is just "doin' what comes naturally" for any scion of the Anglo-Dutch oligarchy.

To get beyond the soap opera stuff and truly understand the Windsors today, it is useful to start with Prince Philip. Not only was he trained in the Hitler Youth curriculum, but his German brothers-in-law, with whom he lived, all became high-ranking figures in the Nazi Party.

Before his family was forced into exile, Prince Philip had been in line of succession to the Greek throne, established after a British-run coup against the son of King Ludwig of Bavaria, who became King Otto I of the Hellenes. Having dispatched King Otto in 1862, London ran a talent search for a successor, which resulted in the selection of Prince William, the son of the designated heir and nephew to the Danish king, Crown Prince Christian. In 1862, Prince William of the Danes was installed as King George I of Greece, and married a granddaughter of Czar Nicholas I in 1866. Prince Philip is a grandson of Queen Victoria, and he is related to most of the current and former crowned heads of Europe, including seven czars.

The marriages of Prince Philip's sisters definitely strengthened the German aristocratic ties. During the years from 1931 to 1932, Philip's four older sisters married as follows: Margarita to a Czech-Austrian prince named Gottfried von Hohenlohe-Langenburg, a great-grandson of England's Queen Victoria; Theodora to Berthold, the margrave of Baden; Cecilia to Georg Donatus, grand duke of Hesse-by-Rhine, also a great-grandson of Queen Victoria; and, Sophie to Prince Christoph of Hesse.

Three of Philip's brothers-in-law were part of a group of German aristocrats who were Anglophile and pro-Nazi at the same time, and who remain a subversive force in Germany to this day.

Enter Prince Bernhard

His Royal Highness Prince Bernhard, royal consort to Queen Juliana of the Netherlands and father of the current Queen Beatrix, co-founded and became the first head of the World Wildlife Fund (now the World Wide Fund for Nature) in October 1961. When the Lockheed scandal forced Prince Bernhard to resign from his most important public functions in 1971, he was replaced by Prince Philip. Prince Bernhard, like Prince Philip, whom he recruited to the eco-fascist cause, had strong roots in the Nazi movement.

In fact, the whole House of Orange did: Queen Wilhelmina, mother of the future Queen Juliana, married a right-wing playboy who begged for money for Hitler; Juliana married an SS man (Prince Bernhard); and, Queen Juliana's daughter Beatrix married a former member of Hitler Youth.

Prince Bernhard first became interested in the Nazis in 1934, during his last year of study at the University of Berlin. He was recruited by a member of the Nazi intelligence services, but first worked openly in the motorized SS. Bernhard went to Paris to work for the firm IG Farben, which pioneered Nazi Economics Minister Hjalmar Schacht's slave labor camp system by building concentration camps to convert coal into synthetic gasoline and rubber. Bernhard's role was to conduct espionage on behalf of the SS. According to the April 5, 1976 issue of *Newsweek*, this role, as part of a special SS intelligence unit in IG Farbenindustrie, had been revealed in testimony at the Nuremberg trials.

When Bernhard left the SS to marry the future Queen Juliana, he signed his letter of resignation to Adolf Hitler, "Heil Hitler!" William Hoffman writes in his book *Queen Juliana:* "Tensions [over the marriage] were not cooled when . . . Adolf Hitler forwarded his own congratulatory message. The newspaper *Het Volk* editorialized that 'it would be better if the future Queen had found a consort in some democratic country rather than in the Third Reich.' "

This is the man who recruited Prince Philip to eco-facism, but Prince Philip's Nazi roots had been laid much earlier.

Hitler Youth and universal fascism

Through the influence of his sister Theodora, young Philip was sent to the German school near Lake Constantine that had

been founded by Berthold's father, Max von Baden, working through his longtime personal secretary, Kurt Hahn. During World War I, Prince Max von Baden had been chancellor, while the Oxford-trained Hahn first served as head of the Berlin Foreign Ministry's intelligence desk, then as special adviser to Prince Max in the Versailles Treaty negotiations. Von Baden and Hahn set up a school in a wing of Schloss Salem, employing a combination of monasticism and the Nazis' "strength-through-joy" system. At first a supporter of the Nazis, Hahn, who was part Jewish, soon got into trouble with the SS, and came to support the more centrist elements of the Nazi Party. What Hahn really had become is what Michael Ledeen has termed a "universal fascist," in the sense of Vladimir Jabotinsky, Count Coudenhove-Kalergi, the Strasser brothers, and other fascists whom the hard-core Nazis would have no dealings with.

Although Hahn's powerful connections permitted him to escape the concentration camps, he was forced to leave the school he founded in Germany before Philip's arrival there, and established a new school in Scotland, called Gordonstoun. It would play a major role in rearing all the male children of Queen Elizabeth II and Philip. When Philip arrived at Hahn's school in Schloss Salem, it was in control of the Hitler Youth and the Nazi Party, and the curriculum had become Nazi "race science." Hahn became an adviser to the Foreign Office in London, urging policies of appeasement based upon appeals to the "centrist" Nazis.

Philip's relatives work for the SS

The husband of Philip's sister Sophie, Prince Christoph, was embraced by the Nazis, who saw him as a channel to the appeasement faction in Britain epitomized by King Edward VIII. Joining the Nazi Party in 1933, by 1935 Prince Christoph was chief of the Forschungsamt (directorate of scientific research), a special intelligence operation run by Hermann Goering, and he was also Standartenführer (colonel) of the SS on Heinrich Himmler's personal staff. The Forschungsamt used electronic intelligence-gathering methods to police the Nazi Party, while working with the Gestapo against the Catholic Church, the Jews, and labor organizations.

When rumors of homosexuality spread against Capt. Ernst Roehm of the Stormtroopers, Himmler turned to the Forschungsamt's eavesdroppers, and ordered the Night of the Long Knives as a result. The eldest of Prince Christoph and Sophie's children was named Karl Adolf, after Hitler. Later, Prince Philip would promote his education.

Prince Christoph's brother, Philip of Hesse, married a daughter of the king of Italy, and became the official liaison between the Nazi and Fascist regimes.

Four years after Prince Philip left Schloss Salem to attend Gordonstoun Academy in Scotland, on Nov. 16, 1937, Philip learned that his sister Cecilia and her husband Georg Donatus, hereditary grand duke of Hesse-by-Rhine, had crashed in one of Goering's Junker aircraft on a trip to London for Georg's brother's wedding. According to the British magazine *Private Eye,* the funeral became a gathering point for leading Nazis and their appeasers. Prince Philip himself developed secretive ties with King Edward VIII, continuing after Edward was deposed in 1936.

In fact, one of the central figures in the 1930s Nazi-British back channel was Philip's uncle and sponsor, Lord Louis Mountbatten (originally, Battenberg, a branch of the House of Hesse). Until he was forced to abdicate, King Edward VIII enjoyed the full backing of "Dickie" Mountbatten. Through much of World War II, secret channels of communication were maintained between the British royal family and their pro-Hitler cousins in Germany, by Lord Mountbatten, through his sister Louise, who was crown princess of pro-Nazi Sweden. Louise was Prince Philip's aunt.

Although Buckingham Palace's rumor mill has tried to depict this wartime collaboration with the enemy as mere family correspondence, the channel apparently included messages from Prince Philip's secret ally, the duke of Windsor (the former Edward VIII).

On Nov. 20, 1995, the *Washington Times* reported, based on recently discovered Portuguese Secret Service files first published in the London *Observer,* that the duke of Windsor had been in close collaboration with the Nazis in Spain and Portugal to foment a revolution in wartime Britain, that would topple the Churchill government, depose his brother King George VI, and allow him to regain the throne, with Queen Wallis at his side. Portuguese surveillance revealed that Walter Schellenberg, head of Gestapo counterintelligence, was one point of contact in this plot. After Schellenberg met with the Spanish ambassador to Portugal, Nicolás Franco, brother of fascist Gen. Francisco Franco, Ambassador Franco told a Portuguese diplomat: "The duke of Windsor, free from the responsibilities of the war, in disagreement with English politicians, could be the man to put at the head of the Empire."

Whatever correspondence was hidden in Sophie and Prince Christoph's Kronberg Castle, King George VI, in June 1945, felt compelled to dispatch the former MI-5 officer turned "Surveyor of the King's Pictures," Anthony Blunt, to gather up the correspondence. Queen Elizabeth II reportedly insisted that there be no interrogation of Blunt about his secret trip to the castle. Otherwise, it is notable that starting with an exchange between King George VI and President Eisenhower, the House of Windsor has been desperate to keep classified those documents from Kronberg Castle that fell into American Army hands, long beyond the normal length of time. Clearly, Prince Philip's patron Lord Dickie Mountbatten, Mountbatten's sister Crown Princess Louise, and Philip's brother-in-law Prince Christoph of Hesse were not just exchanging Christmas greetings.

The ultimate insider trader is the Queen

by Scott Thompson

Her Majesty Queen Elizabeth II is the wealthiest crone in the world, who gives new meaning to the phrase, "stinking rich." Her total wealth is divided into two parts. One is a Venetian-style *fondo*, that is, it is inalienable and must be passed on to her heir, free from inheritance tax. The second part of her wealth consists of her private collection of castles, jewelry, and art, and a portfolio of blue chip stocks and bonds and real estate investments around the world. Her investment portfolio is estimated to be worth £3 billion.

One of the secrets to her disposable wealth is that she amassed it tax free until 1992—the *Annus Horribilis*, which started with the separation of Charles and Diana and ended with the burning of Windsor Castle—when she entered a memorandum of understanding to pay income, capital gains, and inheritance taxes on this portfolio; although, the Queen can break this agreement at any time she desires.

A second, most important secret is that the Queen is the world's ultimate "insider trader." She not only gets tips from British financiers, but also has access to all the state secrets, through the "boxes." Thus, if the Queen learns from among all public and private British Empire intelligence and economic warfare entities reporting to her, for example, that Nigeria is about to be destabilized, she can immediately call her broker. Under the secrecy laws of the British Empire, it would be unthinkable for anyone to consider pressing charges of insider trading and conflict of interest against the sovereign: In fact, only a handful of trusted advisers would ever know.

The Queen thus follows the Venetian system of being Doge of a financier-oligarchy. One key point in this shift of the sovereign as the largest landholder, to the sovereign as a financier, took place under George III, who turned over most of the Crown Lands to Parliament in exchange for a Civil List of payments to fund the monarchy and its retainers, which has expanded ever since (when all the perquisites are taken into account). The Civil List, especially since the reign of Queen Victoria's heir, Edward VII, represented a vast pool for financial speculation.

Incestuous relationship

Since at least King Edward VII (1901-10), there has been an incestuous relationship between the monarch of the British Empire and the financier oligarchy, especially with Barings Bank, dating from before the Opium Wars, and with Morgan Grenfell (see corporate profiles, p. 67). Edward VII was said to be "philo-Semitic," but in reality he was "philo-banker." Edward had a geopolitical vision in the Venetian tradition, and it was one of brutal simplicity: the encirclement of Germany with a hostile coalition, and the destruction of the nation-states of Europe. With this ambition driving him, Edward VII set up the Anglo-Franco-Russian alliance that became known as the Triple Entente. His policies led directly to explosion of world war in 1914.

One of Edward VII's leading financial advisers was Hungarian Jewish banker Baron Hirsch, who purchased an introduction to Edward in 1890 from Crown Prince Rudolf of Austria. When Baron Hirsch died in 1896, his position as leading adviser passed on to his executor, another Jewish banker, Ernest Cassel, whose daughter and heiress, Edwina, would ultimately marry Lord Louis Mountbatten, a chief influence on Prince Philip and Prince Charles.

The Rothschilds and the Sassoons, also Jewish bankers, were friendly with Edward VII, as were the American financiers J.P. Morgan and E.H. Harriman.

Within a span of less than ten years, Edward VII amassed a fortune of £100 million (at 1991 prices), which would place him among the world's wealthiest. This was the start of the modern-era financial wealth of the British monarchy.

Edward VII's heir, George V (1910-36), tended to be more plodding in his investments. Nonetheless, he continued the "philo-bankerism" of his father. George V's private financial adviser from 1929 onward was a Canadian, Sir Edward Peacock, of Barings merchant bank and a director of the Bank of England. Sir Edward had been prepared for this position by his predecessor, Lord Revelstoke, who had also been with Barings. In 1934, for services rendered the Crown, Peacock was knighted a Grand Cross of the Royal Victorian Order, which is part of the "Sovereign's Gift" that does not require advice of the prime minister. George V liked the incestuous relationship with "the City"; for example, he selected Lord Cromer as his Lord Chamberlain (which is the highest household rank), who was briefly managing director of Barings and a director of several other companies.

When George V died in 1936—the year of the three kings—he left £100 million (at 1991 prices).

George VI (1936-52), who ascended the throne when his brother Edward VIII abdicated in 1936, inherited about half their father's fortune. He also inherited the advice of Barings' head, Sir Edward Peacock, who would continue to advise the monarch until his death, well into Queen Elizabeth II's reign. Queen Elizabeth II is believed to have inherited the bulk of George VI's fortune, some £50 million, to invest and reinvest tax free from 1952, when she became Queen. Conservative estimates are that her portfolio grew to £3 billion (present value).

Apart from Barings, which, going back 300 years, had worked with the British East India Company and which, after its bankruptcy last year, was taken over by the "hot-money-laundering" Dutch firm ING, the Queen had relied upon Mor-

gan Grenfell, which was taken over by Deutsche Bank, transforming that German bank into part of the British Empire's financial network in the process. Morgan Grenfell senior executive William Hill-Wood, financial adviser to King George VI, continued his services to George's daughter Elizabeth, who gave him a knighthood of the Royal Victorian Order. Undoubtedly, the Queen was not pleased by ING's takeover of Barings and by Deutsche Bank's takeover of Morgan Grenfell.

The Queen's 'fondo' and her private property

The Queen has some 310 residences. Almost all are part of the inalienable *fondo* to be passed on to her heir, and most are "grace and favor" houses for family members and retainers, ranging from the humble to the magnificent. Included in the *fondo* are five castles: Buckingham Palace, Windsor Castle, Holyroodhouse in Edinburgh, Kensington Palace (occupied by Princess Diana), and St. James Palace (occupied by Prince Charles). Two other castles, Balmoral and Sandringham, are private property, originally purchases of Queen Victoria. All these properties are maintained by the Department of the Environment (presumably because they are the habitat of an endangered species).

Queen Elizabeth recently created the Royal Collection Trust—which she heads, as will her heir—to which were transferred all the 7,000 paintings, 20,000 Old Master drawings, and various antiques acquired before Queen Victoria's reign, all part of the *fondo*. At the instigation of Prince Philip, duke of Edinburgh, a chapel owned by the royal family was converted to a museum for the display of this art, a fraction at a time. As part of her private fortune, the Queen has a large collection of art works ranging from the Renaissance to the craziest of modern art.

The Duchy of Lancaster is also part of her *fondo:* The duchy is comprised of properties stolen in the thirteenth century from the rebel Simon de Monfort, who tried to create a powerful Parliament and failed in 1265, only to have his land and life taken by Edmund Crouchback, youngest son of Henry III. In 1987, the Duchy of Lancaster was 36,456 acres, mainly agricultural land; within the duchy, the freehold of 2.25 acres in the Strand area of London (lying between the Savoy Hotel and Somerset House) is so valuable, that the Queen had The Duchy of Lancaster Act of 1988 steered through Parliament allowing her to develop and sell this area.

The Prince of Wales, the Heir Presumptive, Charles, came into the income of the second royal family duchy, the Duchy of Cornwall, which has 44,000 acres, including another posh section of London. Prince Charles agreed to return 50% of Cornwall's earnings to the state, which was reduced to 25% upon his marriage to Lady Diana. As for the Queen, she uses part of the income from the Duchy of Lancaster to supplement the Civil List in giving an income to her close relatives.

The famous Crown Jewels, which are kept in the Tower of London, except for major events such as coronations, are part of the *fondo.* Apart from those, the Queen has inherited or bought the largest private collections of jewels in the world. At auction, it might bring £350 million (1991 currency). There is no complete listing of the Queen's private collection, but the monarchist Leslie Field estimates that it includes: "14 tiaras, 34 pairs of earrings, 98 brooches, 46 necklaces, 37 bracelets, 5 pendants, 14 watches, and 15 rings."

The history of the collection again shows the incestuous relationship between the Crown and the City of London. When the British East India Company defeated the maharajah of the Punjab, in 1851, the company presented to Queen Victoria what was then the world's largest diamond, the Koh-in-noor diamond. Queen Victoria took sadistic pleasure in displaying the Koh-in-noor to the defeated maharajah on his visit to Buckingham Palace, and he left muttering, "Mrs. Fagin." At the conclusion of the Boer War, the peace offering to the sovereign included the largest uncut diamond in the world, the Cullinen Diamond, weighing 3,106 carats. Two cut stones from the Cullinen Diamond went to adorn the Crown Jewels, and the Queen today possesses a brooch that consists of the third and fourth largest stones (94.4 and 63.6 carats) cut from the Cullinen Diamond. The British sovereigns were regularly showered with jewels by propitiatory princes of India, and, as that largesse ran out, they received special treasures from Anglo-American diamond finds in South Africa. For example, shortly after World War II, Mary Oppenheimer presented Princess Elizabeth with a 6-carat, blue-white diamond for helping advertise Anglo-American's diamond monopoly at a time when diamond prices were depressed. Later, Princess Anne, the Queen's oldest daughter, on her 21st birthday, received a necklace of colored diamonds. Today, an adulatory group of oil-rich sheikhs and emirs adds to the Queen's private collection.

Her Majesty's portfolio

It is forbidden for Parliament to discuss the fact that the Queen has kept her private wealth a secret. But, in 1977, it was discovered through a Parliamentary question, that the Bank of England had established a special nominee company, the Bank of England Nominees Ltd. (BOEN), to hide investments of the Queen's portfolio, as well as those of others whom she recommends, such as King Fahd of Saudi Arabia, the Sultan of Brunei, King Bhumibhol Adulayadej of Thailand, and the Kuwaiti Investment Office. But, BOEN is only one of the means apparently employed by the Queen's royal insider trader to hide her wealth.

Philip Beresford, author of *The Book of the British Rich,* written in conjunction with the *Sunday Times* of London, has said that the Queen tends to invest in "blue chip" stocks, including Rio Tinto Zinc, General Electric Company of Great Britain, Imperial Chemical Industries, Royal Dutch Shell, and British Petroleum. Among the firms through which she has invested are Barings, S.G. Warburg's subsidiary Rowe & Pitman, and Cazanove. The Queen's holding in Rio Tinto Zinc

(RTZ) was first discovered through a leak from a source at the Bank of England to Andrew Morton, who wrote the authorized biography of Diana, Princess of Wales.

According to Charles Higham, co-author of *Elizabeth and Philip,* the Queen is a major stockholder in RTZ, which, with her old friends at Anglo-American, controls 12% of the world's precious, strategic, and base metals and minerals (see corporate profiles). *Forbes* magazine also reported that she was a major RTZ shareholder, as was the Bank of England. Higham quotes Sir Mark Turner, then chairman of RTZ: "You're running into problems of what the government is going to say about the Queen's involvement. RTZ is one of the great assets of the country."

RTZ was in on developing North Sea oil from the beginning. Writes Higham: "The Queen undoubtedly approved the heavy investment, which would enrich her in the immediate future." Starting in June 1975, RTZ and Texaco were spearheading shipments from the North Sea Argyll Field, to the refineries of British Petroleum, in which firm Queen Elizabeth is also believed to hold an interest.

In 1976, the U.S. Senate Foreign Relations Committee, in hearings chaired by Frank Church (D-Idaho), and attended by Attorney General Edward H. Levi, found that an international cartel, of which RTZ was a major partner, had been formed in 1971 to fix the world's uranium prices. A federal grand jury found corroborating evidence of RTZ's role. Also discovered to be part of the cartel was Mary Kathleen Uranium of Australia, which has been encouraging indigenous, Aborigine agitation to occupy large uranium-bearing lands, taking them out of production.

When, in May 1976, power companies brought charges against the U.S. Westinghouse Electric Corp. claiming that it failed to supply uranium according to contract, Westinghouse responded with the allegation that RTZ and other corporations had formed a cartel that was forcing up world prices, preventing Westinghouse from meeting its contracts. Lord Denning and the Law Lords quashed Westinghouse's ability to take depositions in the United Kingdom, even under grant of immunity from self-incrimination, in order to protect RTZ's directors and their shareholder, the Queen, from exposure. But, on June 16, 1976, in hearings in the U.S. House Interstate and Foreign Commerce Subcommittee on Oversight and Investigations, Jerry McAfee, chairman of the Gulf Oil Corp., admitted that the cartel in which RTZ was his partner had, in fact, increased the world price of uranium.

When the Tennesee Valley Authority tried to sue RTZ, Gulf released new documents inculpating RTZ and its Rio Algom subsidiary in Canada, at which point, the U.S. Attorney General demanded immunized testimony. However, the directors of RTZ and the Queen were once again protected by the Law Lords, who claimed that the RTZ directors did not have to appear before an American court, as this was "an unacceptable invasion of British sovereignty." So, despite the fact that a cartel involving HM Queen Elizabeth II was hampering nuclear energy development in the United States, the "free-trader" Queen was protected by her appointees among the Law Lords.

Dixie queen

According to the statements of Sen. Thomas J. McIntyre (D-N.H.) and Rep. Silvio O. Conte (R-Mass.) in 1971, Queen Elizabeth held a major share in Courtaulds Textile. Courtaulds came to their attention when the Queen had used it to hide her ownership in the largest plantation in Mississippi. The Queen apparently has used Courtaulds as a nominee for the purchase of other stocks, but what bothered the congressmen was that the wealthiest woman in the world was getting agricultural subsidies to run a plantation in the United States. In 1968, these two congressmen had described in the *Congressional Record* how the Queen obtained one of the world's largest plantations from Courtaulds, complete with sharecroppers, in Scott, Mississippi, situated on the banks of the Mississippi River near the border with Arkansas. It was known as the Delta and Pine Land Company, or "the Queen's Farm," and it consisted of 38,000 acres with rich soil, a factory, and a mill. At the time, it was worth $44.5 million. It employed hundreds of African-American laborers at minimal wages. Since 1968, it had been subsidized by the U.S. Department of Agriculture to the tune of $1.5 million. On April 16, 1970, Senator McIntyre, while introducing a bill relating to limitations on farm payments, said: "We paid the Queen $120,000 for not planting cotton on the farmland she owns in Mississippi." Following the publicity, the Queen seems to have sold the plantation back to Courtaulds, but some believe Courtaulds merely exerted nominee ownership. In any event, the Queen's friend, Lord Rab Butler, was a director of Courtaulds at this time, and the Queen was said by Conte to be a major stockholder in Courtaulds.

New Yorker magazine reported that the Queen is the largest owner of slum property in New York City, including the pornography- and drug-riddled 42nd Street. Perhaps these are additional "grace and favor" spots for her loyal subjects.

Her Majesty's 'Prerogative Powers'

by Scott Thompson

During the Persian Gulf war, Her Majesty Queen Elizabeth II, as the only person in the British Empire who can declare war and as commander-in-chief of the empire's armed forces, received daily briefings from and issued orders to Prime Minister Margaret Thatcher. Ironically, Thatcher, the "Iron Lady," was known as the woman who had given "spine" to the Reagan-Bush administrations. Yet, behind the prime minister stood the Queen, who could sack Thatcher at a moment's

notice over any major disagreement.

Immediately after the Gulf war, Queen Elizabeth paid an official visit to the United States, where she addressed a joint session of Congress. She gave President Bush the Churchill Award, and, by her special order, she dubbed Operation Desert Storm field commander Gen. Norman Schwarzkopf, an Honorary Knight of the British Empire, while he was still in office. Gen. Colin Powell, chairman of the Joint Chiefs of Staff, was also made an Honorary Knight of the British Empire, after he left office. Later, the Queen made former President George Bush an Honorary Knight Grand Cross of the Order of the Bath, which is the highest award that can be given a non-subject of her realm—because he had been the most amenable President to British policy since President Truman.

Queen Elizabeth is not some combination of tourist attraction and soap-opera star in an ill-fated melodrama. Leaving aside those misguided individuals in the British Empire who believe she still rules by the seventeenth-century "divine right of kings," Queen Elizabeth has more concentrated power than any elected head of state in the world today. And, in a distant sense, she was elected monarch, because her dynasty was chosen from among others to be the hereditary conveyor of powers akin to the Doge of Venice, whose dynasty might at any moment be replaced by the Venetian oligarchy with another Doge. Still, her raw power is startling, especially to someone from the American nation-state, where we have a written Constitution, complete with Constitutional checks and balances.

'Oaths of allegiance'

The idea of a "constitutional monarchy" is a myth: All that exists are "oaths of allegiance" to the monarch. Without the need for parliamentary authority, Queen Elizabeth has royal Prerogative Powers. The following partial list of those powers is from the authoritative *Burke's Peerage and Baronetage:*

- the Queen alone may declare war at her pleasure;
- as commander-in-chief, the Queen may choose and appoint all commanders and officers by land, sea, and air;
- the Queen may convoke, adjourn, remove, and dissolve Parliament;
- the Queen may dismiss the prime minister and choose whom she will as the replacement;
- the Queen can choose and appoint all judges, councillors, officers of state, magistrates;
- the Queen can choose and appoint all archbishops (including the Archbishop of Canterbury, who is *primus inter pares* in the Anglican Communion), bishops, and high ecclesiastical dignitaries;
- as "the Sovereign is first in honor, dignity and in power—and the seat and fountain of all three," the Queen may bestow all public honors, including creating a peerage for membership in the House of Lords or bestowing an order of chivalry;



The Queen is a very Privy person.

- the Queen alone may conclude treaties;
- the Queen may initiate criminal proceedings, and she alone can bestow a pardon.

Some of these powers are exercised on the advice of cabinet ministers or others, and the principal vehicle through which the Queen receives such advice—apart from weekly or more frequent meetings with the prime minister—is through a body known as the Privy Council.

The Privy Council

According to the Privy Council's own public documents, there are 390 members of the Council, who are appointed for life. The Privy Council serves as a vehicle for the Queen's use of her Prerogative Powers, because it is a consensor with representatives from all branches of the Venetian oligarchy, including: peers from the House of Lords, the prime minister, the Law Lords, all cabinet officers, leaders of the Loyal Opposition in Parliament, prominent individuals in the City of London, and leading members of the established Anglican Communion.

The Privy Council is above Parliament, including the House of Lords, because of the Queen's Prerogative Powers. However, the Privy Council not only serves as a vehicle for exercise of the Queen's Prerogative Powers, but its offices also enact statutory powers delegated by various Acts of Parliament. It has its own Order of Precedence, which begins with HRH Prince Philip, Duke of Edinburgh, KG, KT, OM, GBE; then, HRH Prince Charles, Prince of Wales, KG, KT GCB; next come George Leonard Carey, Archbishop of Canterbury, and Lord High Chancellor Lord Mackey of Clashfern; and finally arriving at Prime Minister and First Lord of the Treasury John Major, and, very far down the list, Labour Party leader



The royal son and heir.

Anthony Charles Lynton Blair. The fact that Tony Blair, who will probably be the next prime minister, was made a member of the Privy Council on July 27, 1994, helps explain why there is not a dime's worth of difference between his policies and those of Tory Prime Minister Major or his predecessor, Lady Margaret Thatcher. As Blair's factional opponent in Labour, Anthony Wedgwood Benn, revealed, based upon personal experience:

All members of the Privy Council must take an oath of allegiance to uphold the Queen and her actions. Such oaths are the basis of the myth that the British Empire represents a "constitutional monarchy."

As readers of the French Renaissance author François Rabelais would appreciate, the term "Privy Council" comes from the earlier days, when only the sovereign's most trusted advisers could approach, while said sovereign was engaged upon the commode.

The Privy Council takes on special importance in terms of the Prerogative Powers during times of the sovereign's marriage or demise, which are the only times the Privy Council meets as a whole body. Likewise, the Privy Council takes on added authority in the event of the sovereign's illness or absence abroad. On a change of government, which is one of the Queen's more notorious powers to exercise, or a reconstruction involving ministerial changes, the Privy Council makes the necessary arrangements. Other special duties include the preparation of proclamations for such events as the dissolution and summoning of Parliament and the declaration of national emergency. And, Prerogative Powers include the consideration of applications for the grant (or amendment) of Royal Charters of Incorporation to bodies covering a wide field, such as the original charter for the British East India Company. Crown or Privy Council nominees are often appointed to governing boards.

The Privy Council also has statutory powers that have been conferred by a variety of enactments, and they are exercised either by "Orders in Council" (i.e., by the sovereign in Council) or by "Orders of Council" (i.e., by the Lords of the Privy Council). For example, under the Local Government Act of 1972, borough status and other rights and privileges of district councils are submitted through the Privy Council. The Privy Council Office is also responsible for the annual nomination and appointment of High Sheriffs of the counties of England and Wales, pursuant to the Sheriffs Act 1887. One of the Queen's Prerogative Powers is to instigate criminal investigations, and the Privy Council assists in the preparation and issuance of warrants.

There are often junior Privy Councils in the 17 nations of the British Empire where the Queen is sovereign. There used to be a separate Privy Council for Northern Ireland, but this no longer meets and no further appointments can be made to it: Its functions have been transferred to the secretary of state for Northern Ireland. All the most important laws for Northern Ireland today are made by the Queen's Privy Council through "Orders in Council," which is simply one type of secondary legislation authorized by statute (in this case the Northern Ireland Act of 1974).

Run on the Committee System

The powers of the Privy Council, as distinct from when the sovereign is in Council, are normally exercised by various standing and special committees in which the cabinet officers have an important role. The standing committees include: the Judicial Committee; the Universities Committee; the Scottish Universities Committee; the Committee for the Purposes of the Crown Office Act 1877; the Committees for the Affairs of Jersey and Guernsey; the Baronetage Committee; and the Honours Committee. Ad hoc committees can be constituted, for example, to consider and report on petitions for Royal Charters of Incorporation, and special committees are appointed to deal with some particular inquiry or reference. For instance, an ad hoc committee was formed to investigate matters leading up to Argentina's attempt to retake the Malvinas Islands (which the British claim, referring to them as the Falklands) in 1982. Similarly, under the Northern Ireland Constitution Act 1973, the Secretary of State for Northern Ireland retains the power to ask the Judicial Committee of the Privy Council whether provisions in an Act of the Stormont Parliament is void. The latter power, however, has never been exercised.

The ministerial head of the Privy Council is the Lord President of the Council; Prime Minister John Major, leader of the House of Commons, had been president of the Council, a post now held by Antony Harold Newton, OBE. By Order of Precedence, both are under the Lord High Chancellor, James Peter Hymners, Lord Mackey of Clashfern, and they are immediately above the Lord Privy Seal, Robert Michael James, Viscount Cranborne.

The Judicial Committee

The Judicial Committee of the Privy Council was constituted by the Judicial Committee Act of 1833, and it is, in effect, a secret Supreme Court for the British Empire, except for that handful of Commonwealth countries that have abolished appeals to it. The Judicial Committee is the ultimate court of appeals insofar as all subjects have the right of appeal to the Crown for redress to the sovereign in Council, if they believe that the courts of law have failed to do them justice. It also handles certain ecclesiastical cases that do not involve faith and dogma, but it should be borne in mind that the British Empire has an established church, in which the Queen appoints the archbishop of Canterbury, who is *primus inter pares* within the Anglican Communion. And, moreover, under Section 4 of the act, the Queen may refer any matter of her choosing to the Judicial Committee. She, in turn, is given a secret report by the Judicial Committee, from which she may issue "Orders in Council."

The members of the Judicial Committee are Privy Councillors holding, or having held the office of Lord President of the Privy Council, or Lord Chancellor of the House of Lords, or certain other high judicial offices, including Lord of Appeal in Ordinary, Judge of the High Court or Court of Appeal in England, or the Court of Session in Scotland. In most cases, these are the Law Lords, who served on the lesser court maintained by the House of Lords. Certain members are also appointed from Commonwealth countries. Five judges usually sit in each case, not wearing robes, and using a room at 1 Downing Street in London. Although dissenting opinions have been allowed since 1966, their decisions take the form of secret "advice to Her Majesty."

Interestingly, many of the territories that are covered by this secret Supreme Court system include precisely those offshore, hot-money-laundering havens that were the targets of President Clinton's Presidential Decision Directive 42 in Autumn 1995, including Antigua and Barbuda, Bahamas, Barbados, Jamaica, Bermuda, Hongkong, Singapore, Cayman Islands, and the Turks and Caicos Islands. As James Adams of the *Sunday Times* of London pointed out, the City of London, already a haven for drug money, had an additional $400 billion influx in hot money, after the pressure from Clinton's

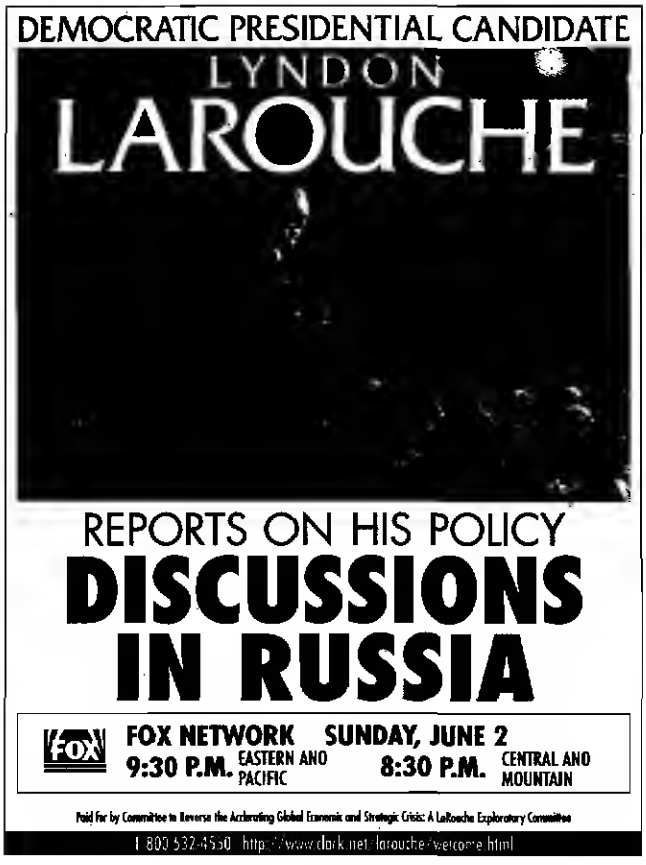
The Queen's powers: They're real!

The vast Prerogative Powers of the Queen are portrayed as purely nominal, a relic of days gone by, when monarchs had real power. Naturally, the oligarchy prefers to "arrange things," such that the Crown does not have to swing its mailed fist. But, when there is no alternative, the fist will come down. Such was the case when the Queen sacked Australia's popularly elected Labor prime minister, Gough Whitlam, in 1975.

First elected in 1972, Whitlam and his key associates, such as Minerals and Energy Minister R.F.X. "Rex" Connor, developed sweeping plans to industrialize Australia's nearly barren continent. Central to this, was Whitlam's plan to "buy back the farm"—to buy out the raw materials cartels such as RTZ and Anglo-American, which were looting Australia's mineral riches, without creating any development in return. Whitlam looked to sources of finance outside the usual New York and London markets, to accomplish this. Through the British-dominated press, a series of scandals were cooked up about his efforts. Finally, under cover of a nominal deadlock in Parliament—one in the process of being solved—the Queen's personal representative in Australia, Governor-General Sir John Kerr, sacked Whitlam. Australians were astounded, and tens of thousands poured into the streets to protest. But the deed was done.

Kerr had worked with high levels of British intelligence during World War II; more importantly, he was obsessed with the feudal "honors" bestowed by the monarchy, such as his position as a Knight Commander of St. Michael and St. George (KCMG). Before Kerr sacked Whitlam, he consulted with his superior in that order, Sir Garfield Barwick, Chief Justice of the High Court of Australia, the head of the Australian Conservation Foundation (founded by Prince Philip in 1963), and a member of Her Majesty's Privy Council. Barwick gave the green light, and Kerr dumped Whitlam.

Shortly after the dismissal, Sir John was rewarded by the Queen herself: As he records in his autobiography, "In Canberra I was sworn in as a member of Her Majesty's Privy Council at a meeting presided over by the Queen." She also dubbed him a member of the Royal Victorian Order (RVO)—not bad for a country boy from Australia, since this honor ranks below only two others: the Order of the Garter, and the Order of the Thistle. All three are bestowed only at the discretion of the Queen herself, *without the recommendations of any of her governments,* as is normally the case.—*Allen Douglas*



stepped-up war on drugs dried up other Empire offshore money-laundering operations.

The Privy Council can also take cases from the trouble spot of Northern Ireland, where it writes most of the major laws. And, while its rulings do not bind judges in subsequent cases in Northern Ireland, they effectively alter the content of the law.

The House of Lords

The House of Lords is the upper chamber of Parliament. Unlike the House of Commons, most members of the House of Lords have a vote by hereditary, rather than elected, principle; the exception is the one-fifth of the House of Lords members who are appointed Peers for Life. Generally speaking, no bill may receive Royal Assent unless it has been passed by the Lords, except for money bills and bills on aids and supplies under the Salisbury Convention. The House of Lords is also a Court of Appeal for the United Kingdom, through the presence in its body of the Law Lords.

As of Oct. 21, 1995, there were technically 1,191 Lords in Parliament. However, the average daily attendance in 1994-95 was 376. Of these, some 300 were members of the ruling Conservative Party, while 24 were in the Labour Party and 12 in the Liberal Party Loyal Opposition, leaving aside those who chose to be "cross-benchers," voting as they saw fit on an issue. If the entire peerage eligible to sit in Parliament did so, the percentage who voted with the Conservative government would likely be even larger.

The Lord High Chancellor or Lord Keeper of the Great Seal is also Speaker of the House of Lords, and he rates above the prime minister in Order of Precedence. It is his duty ordinarily to attend as Speaker, although there are 30 Deputy Speakers, to sit on the Woolsack and to preside over the deliberations of the House, except when it is in Committee. The current Lord Chancellor, who is an appointee of the sovereign, is Lord Mackey of Clashfern, who is a Life Peer, created in 1979. He was also appointed to the Privy Council in the same year. He served as Lord Advocate in 1979-84. He was Government Spokesman on Legal Affairs in Scotland in 1983-84. He was Lord of Appeal in Ordinary in 1985-87, when he was made Lord High Chancellor. The Lord Chancellor usually stands to the right of the throne and hands the monarch the Speech from the Throne, in which the government policies and program for the session are announced; (if the sovereign is incapacitated, the Lord Chancellor reads the Speech from the Throne to open Parliament). Lord Mackey of Clashfern is a member of the Conservative Party government.

There are numerous positions of authority within the House of Lords, from the leader of the three parties to the chief whips and whips for the various parties to the chairman of committees, his deputies, and the committee chairmen. Briefly, the three leaders of the parties are: 1) Leader of the House (Conservative Party Leader), Viscount Cranborne and Baron James Gascoyne-Cecil (created 1603), who became Lord Privy Seal, Leader of the House of Lords, and Privy Councillor in 1994 after he was summoned to the upper house in his father's barony of Cecil; 2) the Labour Party Loyal Opposition Leader is the Life Baron of the United Kingdom (created 1990), Ivor Seward Richard, who was made a member of the Privy Council in 1993; and, 3) the Liberal Party Loyal Opposition Leader is the Life Baron (created 1987), Roy Harris Jenkins of Hillhead.

As the accompanying profile on the "non-governmental organizations" shows, perhaps the worst "enforcers" of British imperialism are the Life Peers. Among them are:

House of Lords Deputy Speaker, Life Baroness (created 1983) Caroline Cox; and, Life Baroness (created 1992) and Privy Councillor (created 1987) Lynda Chalker of Wallasey, who is one of four Conservative Party spokesmen on foreign policy, Minister of Overseas Development (formerly the imperial Colonial Office), and Minister for Africa in the Foreign and Commonwealth Office. However, the occasional Hereditary Peer, like Baron Cecil, manages to leave off hunting and fly fishing to do something nastier in the world. Thus, the 4th Baron (created 1900) Eric Reginald Lubbock Avebury, who is also the 7th Baronet of Lammas (created 1806), gives protection to every imaginable type of terrorist in the British Empire as chairman of the Parliamentary Human Rights Group since 1976.

Sir Paul Mellon, lord of Loudoun

by Scott Thompson

The Dec. 15, 1995 issue of *EIR* exposed one of the gravest threats to U.S. internal security: a treasonous nest of oligarchical families, allied with and controlled by British policy interests, located some 40 miles from the nation's capital, in Northern Virginia's Hunt Country. The report, headlined "The Lords of Loudoun," explained: "This group of families shares a common outlook with, and are, in effect, extensions of, the British oligarchy, headed by the royal family; together with allied networks in New York, Boston, and other locations, they form a single, transoceanic oligarchy. . . . They have spun off a web of deployable operational assets, capable of manipulating government policy and combatting their enemies. This is the pack of rascals who were behind the fraudulent prosecution and fraudulent conviction of Lyndon LaRouche, et al. They are the same forces behind the attack on U.S. President William Clinton. . . ."

There is a pecking order within this Anglophile society. At the top is the personal representative of the royal family, Sir Paul Mellon, Honorary Knight of the British Empire and Knight of the Order of Orange Nassau. Sir Paul's mother was an heir to the Guinness family fortune; his father, Andrew, was a loyal servant of British policy interests, manipulating U.S. policy as Treasury secretary for Presidents Harding, Coolidge, and Hoover. There are many rich Anglophiles in the Hunt Country, including some with fortunes in excess of Mellon's estimated $800 million, but none with the access and privileges conferred by the Queen herself upon her loyal squire, Sir Paul Mellon.

Friend of the Queen

It is rare that the Queen pays personal visits to Americans; rarer still, that she visits a person frequently. A letter from the staff of Buckingham Palace to this author states: "I am commanded by The Queen to thank you for your letter . . . concerning Mr. Paul Mellon. The Queen has known Mr. Mellon for many years and visited his estate at Upperville, Virginia, probably for the first time in the 1950s." In fact, on her first official visit to the United States in 1957, HM Queen Elizabeth II and her consort, the duke of Edinburgh, visited the Middleburg Training Center, created by Paul Mellon in 1956, to improve the stock of thoroughbred horses.

According to the eighth earl of Carnavon, in an interview with this author, the Queen had helped establish a new bloodline of horses by inter-breeding Paul Mellon's stallion Mill Reef, which had won every major race in Europe, with strains from Northern Dancer (another famous Virginia-bred horse). The earl of Carnavon ("Porchy" to the Queen, for whom he is Racing Manager), has been a frequent visitor to Sir Paul Mellon's Rokeby estate in Upperville. Moreover, the earl said that it was Sir Paul who first introduced the Queen to William Farish III, at whose Lane's End Farm, near Versailles, Kentucky, the Queen keeps several breeding mares. On her numerous private visits to Farish's farm, the Queen has been joined by Sir Paul, who flies in secretly on his private jet.

Farish gained public attention when he was made the keeper of a "blind trust" for George Bush, who in turn honored Mellon in a ceremony at the Mellon family-founded National Gallery of Art. William Farish, Sr. began the family's fortune as president of Standard Oil of New Jersey, and he pleaded *nolo contendere* that Standard had supplied the Germany company IG Farben with the patents to produce synthetic gasoline and rubber out of coal, at Nazi slave-labor concentration camps like Auschwitz. A second fortune was earned by William Farish II, who built up and then sold Humble Oil Co. Paul Mellon's own father, Andrew, had been the chief financial interest behind the emergence of Gulf Oil, which made common cause with its "rivals' in the Middle East, British Petroleum and Anglo-Persian, including being one of the instruments in British plans for the overthrow of the Mossadegh regime in Iran in 1953.

Sir Paul's sister Ailsa Bruce, who had married and divorced David A.K.E. Bruce, known in Hunt Country circles as the "uncrowned king of Virginia," was part of the intimate circle of friends of the duke and duchess of Windsor. The duke of Windsor, who is the Queen's uncle and served briefly as King Edward VIII, had been forced to abdicate, because he advocated an open alliance between the British Empire and Hitler. The duke and duchess of Windsor were an integral part of Virginia Hunt Country, as Wallis Warfield, the duchess, had attended the exclusive Foxcroft School in Middleburg, as well as spending a year in nearby Warrenton.

Anne, the princess royal, has visited Mellon's Rokeby estate, attending, among other things, the Virginia Gold Cup race, whose expensive relocation had been paid for by Mellon. She was photographed there in 1989 with "Little Lord" Nicky Arundel, the propaganda minister for the Hunt Country and a covert operations specialist who has helped orchestrate operations against LaRouche and his political movement. Prince Charles has visited Mellon at least twice. On one occasion, the two studied the Jungian significance of William Blake's poetry and drawings, both having undergone Jungian analysis.

Arundel and some of the other lords of Loudoun are forever trying to trace their lineage to titled British nobility. Sir Paul doesn't have to bother; he is involved with the royal

family in their most highly guarded operations. For example, when Prince Philip, at the instigation of former SS officer Prince Bernhard of the Netherlands, co-founded an international environmentalist gestapo, the World Wildlife Fund, in 1961, Prince Philip turned to Mellon, among a select group of 1,001 hand-picked personalities, the so-called 1001 Club. The initiating fee of at least $10,000 is only part of the tens of millions that Mellon has spent to advance the British Empire's cause of eco-fascism. For such "good works," and for his family's connections, Paul Mellon was made an Honorary KBE in 1971, and was also made a Knight of the Dutch Order of Orange-Nassau.

Origins of 'a galloping Anglophile'

In his autobiography, *Reflections on a Silver Spoon*, Mellon describes himself as "a galloping Anglophile." Just as the British oligarchy went from a landed rentier oligarchy to a financier oligarchy, so the Anglophiles of the American establishment like Andrew Mellon, after destroying American industrial capitalism, became financial parasites.

For example, Andrew Mellon was part of British Crown banker J.P. Morgan's successful campaign to crush steel industrialist Andrew Carnegie, in the years before World War I. Andrew Mellon also financed the building of a global aluminum cartel, which not only controlled production of aluminum ingot, but sequestered all easily available sources of the raw materials bearing alumina.

As three-time secretary of the Treasury, Andrew Mellon, at the urging of British Chancellor of the Exchequer Winston Churchill, rescheduled the British war debt to 60 years, and jawboned the Federal Reserve Bank to lend the British Empire credit at low interest rates. At the same time, when Germany was nearly prostrate from the reparations it was forced to pay under the Versailles Treaty, Andrew Mellon worked with Bank of England Chairman Montagu Norman, German Reichsbank Chairman Hjalmar Schacht (later Nazi economics minister and the designer of the slave labor concentration camps), and Eleanor Dulles (sister of Allen and John Foster Dulles) to design the Young and Dawes Plans that would loot the last penny from Germany. This process led, during the late 1920s, to the creation of the Bank for International Settlements, and was a great step forward on behalf of British Empire plans to impose genocidal austerity upon Germany.

As ambassador to the Court of St. James from 1932 to early 1933, Andrew Mellon became a confidant of the British royal family.

His mother's son

Through introductions from the art dealer Duveen (Lord Millbank), and Henry Clay Frick, Andrew Mellon married Nora McMullen, whose family were leaseholders of a castle that had been part of the Crown Lands. Nora McMullen was the granddaughter of Peter Guinness, and was among the heiresses of the Guinness PLC fortune.

According to the book *Mellon's Millions*, by Harvey O'Connor (1933), Paul Mellon was mostly raised by his mother, who brought him to England for his early rearing. The book states that Paul never really liked his aloof father, and was his mother's child. Ultimately the marriage broke apart, according to O'Connor, because of Andrew Mellon's inability to live the life of a socialite. Paul took the side of his mother in the messy separation and divorce proceedings, which culminated in a scandalous trial in 1911. While Andrew Mellon was considering secretive criminal divorce charges on grounds of adultery, to gain custody of his children through machinations with Pittsburgh local magistrates and the Pennsylvania legislature, Nora Mellon was leaking real and imaginary scandals to papers outside the region and then importing copies in bulk to Pittsburgh society. By the time the divorce was over, young Paul was clearly "more of a McMullen than a Mellon." Nora inculcated her son with the idea that, as a British oligarch, he need not "do" anything with his life, except what he chose to do.

When Paul went to Yale, he turned down membership in the Skull and Bones secret society to spite his father, choosing Scroll and Key instead. Later, when Paul went on to study at Cambridge University, during the same period that his father was ambassador to the Court of St. James, his mother helped to make introductions for him to British society. Paul Mellon spent most of his time at Cambridge riding with the duke of Beaufort's hounds.

This followed a showdown in the summer of 1930, in which Andrew Mellon had called Paul home and confronted him with the fact that he must work in the family bank or else face being cut off from his inheritance. Nora McMullen negotiated a deal, whereby if Paul Mellon would put in some time in the bank, he would be allowed to follow his country squire pursuits; Nora demanded, and Andrew agreed, that he would bankroll the purchase of the Rokeby Farm in Upperville, Virginia, and also bankroll a horsebreeding operation. Nora McMullen would join her son there, and Andrew Mellon could only visit with permission. Paul agreed to the arrangement, and was thus ensconced in the heart of the Hunt Country.

The area chosen by Paul Mellon and his mother had, for more than two generations, been the seat of treasonous activities by the British agents within the American eastern establishment. The first to bring would-be squires into this area was British Rothschild agent August Belmont and his relative Raymond, at the turn of the century. A second phase came in 1919 with the arrival of E.H. Harriman, one of the bankers to King Edward VII, who attracted dozens of members of the New York Anglophile establishment to buy hundreds of thousands of acres of real estate in Loudoun, Fauquier, Clarke, and Orange counties. Sir Paul and his mother presided over the expansion of these operations during World War II and afterwards, and he now rules over this domain as the "Queen's lord of Loudoun."

The Queen's 'honorary knights' in America

by Scott Thompson

Queen Elizabeth II has sought to gain influence in the United States by handing out as a rare currency "Honorary Knighthoods," which narrowly squeak by constitutional provisions that no American official shall hold a title without approval of Congress. In all, about two dozen such knighthoods have been granted thus far, most recently to the Bush Babies, in recognition of their service in the 1991 British-directed Persian Gulf war.

Here are listed, by order of rank and seniority, some of these knighthoods:

President "Sir" **Ronald Reagan;** Honorary Knight Grand Cross of the Order of Bath (GCB).

President "Sir" **George Bush;** Honorary Knight Grand Cross of the Order of Bath (GCB).

"Sir" **Henry Kissinger,** former secretary of state, Presidential adviser for national security, and former member of the President's Foreign Intelligence Advisory Board; Honorary Knight Commander of the Order of St. Michael and St. George (KCMG). This rank is normally given to top British diplomats.

"Sir" **Hugh Bullock,** retired investment banker, aged 98, and raving Anglophile; Honorary Knight Grand Cross of the Order of the British Empire (GBE) and Honorary Knight of Grace of the Order of St. John of Jerusalem.

"Sir" **Douglas Fairbanks,** actor and military man, who served as aide-de-camp to Lord Mountbatten, as well as performing tasks for NATO, SEATO, and the U.S. Joint Chiefs of Staff; Honorary Knight of the British Empire (KBE) and member of a dozen other orders of chivalry.

"Sir" **Grayson L. Kirk,** former president, now president *emeritus,* of Columbia University; chancellor *emeritus* of the American Society of the Order of St. John of Jerusalem.

"Sir" **Paul Mellon,** "Lord of Loudoun County"; Honorary Knight of the British Empire (KBE) and Knight of the Order of Orange Nassau.

Gen. "Sir" **Norman Schwarzkopf,** Field Commander of Operation Desert Storm; Honorary Knight of the British Empire (KBE).

Gen. "Sir" **Colin Powell,** former chairman of the Joint Chiefs of Staff; Honorary Knight of the British Empire (KBE).

Gen. "Sir" **Brent Scowcroft,** former Presidential adviser for national security and now George Bush's top adviser; Honorary Knight of the British Empire (KBE).

"Sir" **Caspar Weinberger,** former secretary of defense; Honorary Knight of the British Empire (KBE).

A lifetime of service

There are fewer than two dozen "Honorary Knights" in the United States. As the director of the Honours Department of the British Foreign and Commonwealth Office put it: "One must not debase the currency. An Honorary Knighthood means either a lifetime of service to the British Empire, or to the furtherance of U.S. relations with the British Empire."

President Bush was awarded the highest level of "Honorary Knighthood" that can be given someone who is not a subject of HM Queen Elizabeth II in one of the 17 countries of the British Empire in which she is queen; this is because Bush has been the most amenable of all Presidents to British policy since Harry Truman, as the Gulf war demonstrated.

The Queen issued special orders so that General Schwarzkopf could receive his "Honorary Knighthood" while still in office, because of his role in Desert Storm. The Queen, as the only figure in the British Empire who can declare war and as the commander-in-chief of the Armed Forces, had demanded daily briefings from and issued orders to Prime Minister Margaret Thatcher, the "Iron Lady" who is credited with giving President Bush spine during the Gulf war. Immediately after the war, Elizabeth paid an official visit to the United States to distribute awards to Bush, Schwarzkopf, and Powell.

Violation of the Constitution

These "Honorary Knighthoods" try to circumvent the U.S. Constitution, whose Article I, Section 7, states: "No Title of Nobility shall be granted by the United States: And no Person holding any Office of Profit or Trust under them, shall, without the Consent of the Congress, accept any present, Emolument, Office, or Title, of any kind whatsoever, from any King, Prince, or foreign State."

Not only are the knighthoods called "honorary," but the recipient is not supposed to use the title of "Sir," either in the United States or in the British Empire. Moreover, since these are not the Queen's "subjects," but have only given extraordinary service over their lifetime to advance the goals of the British Empire, they are not "dubbed" by the Queen. And, usually, the British Empire waits until after a person has left office to grant them an "Honorary Knighthood."

Still, especially in the case of General Schwarzkopf, where this provision was waived, the U.S. Constitution is clear that a holder of "any Office" may not "accept any present, Emolument, Office, of Title *of any kind whatsoever*" without the permission of Congress. Presumably, the receipt of "Honorary Knighthoods" by the above-mentioned crowd should keep them from holding office in the future without a specific waiver by Congress.

British Empire buys the U.S.A.

by Scott Thompson

Contrary to the widespread propaganda portraying Japan as the unfair exotic assailant of the American economy, it is the British Empire that has, for at least the last ten years, been buying out more U.S. companies than any country. Moreover, in the last two years, the British Empire has replaced Japan as America's number one creditor.

The British Empire, and particularly Canada, invested considerably more than did Japan in mergers and acquisitions in 1989, 1993, and 1994. In 1989, the British Empire surpassed Japanese levels of investment, despite a $7 billion Japanese investment in Hollywood movie studios. Japan's investment would have been only half that of the British Empire in 1990, except for a $10.5 billion Japanese investment in the service sector operations of Hollywood movie studios. In 1993, British Empire investments were four times those of Japan; and in 1994, British Empire investments were six times those of Japan, whose investments were equaled by Canada alone, according to the U.S. Department of Commerce's publication *Foreign Direct Investment in the United States.*

The British Empire has not simply surpassed Japanese investment in many years in mining (raw materials extraction) and financial services, as one might expect. But, British Empire mergers and acquisitions have exceeded Japanese ones in several years, in such sectors as manufacturing, telecommunications, and infrastructure, according to Commerce Department statistics. The British Empire surpassed Japanese investment in the U.S. manufacturing sector by three times in 1989, three times in 1993, and two times in 1994.

In the Department of Commerce infrastructure category—transportation, communication, and utilities—the British Empire frequently surpassed Japan, especially in telecommunications. For example, in 1990, British telecommunications invested $1.5 billion for acquisition of 20% share of McCaw Cellular Communications Inc. Again in 1994, the privatized firm of British telecommunications made a $4.3 billion investment, for a 20% share of MCI.

Large investments have also been made by the British Empire in the printing and publishing industry. For example, the largest foreign investment in this area was the acquisition of The New York *Daily News* for $150 million by the Mirror Group Newspapers Ltd of London, controlled by Robert Maxwell and his family. In 1993, the Bronfman family of Canada, through Seagram Ltd, acquired Time Warner for $1.5 billion. The Toronto, Canada-based Hollinger Corp. of Conrad Black, which owns The Telegraph Corp. PLC and the *Jerusalem Post,* has purchased hundreds of smaller weeklies and dailies in the United States, incldng the *Chicago Sun-Times.* The sun never sets on the British publishing empire in America.

One example of a major British Empire takeover of U.S. manufacturing was in 1993, when Hanson PLC acquired Quantum Chemical Corp. for $3.2 billion. In the same year, Royal Dutch Shell Group made multibillion-dollar deals in the related petrochemical industry in the United States, as it also did in 1994.

Table 1 shows that whatever relative dollar amounts were invested in the United States, the British Empire always surpassed Japan and all other countries in the number of companies obtained by merger and acquisition. **Figure 1** compares the British Empire—especially the United Kingdom and Canada—with Japan in eight sectors of economic activity from 1992 through 1994. The last graph gives the totals of the British Empire versus Japan for 1989 through 1994, in terms of total dollar investment by year.

TABLE 1

Acquisitions of U.S. companies, by nationality of buyer

(billions $)

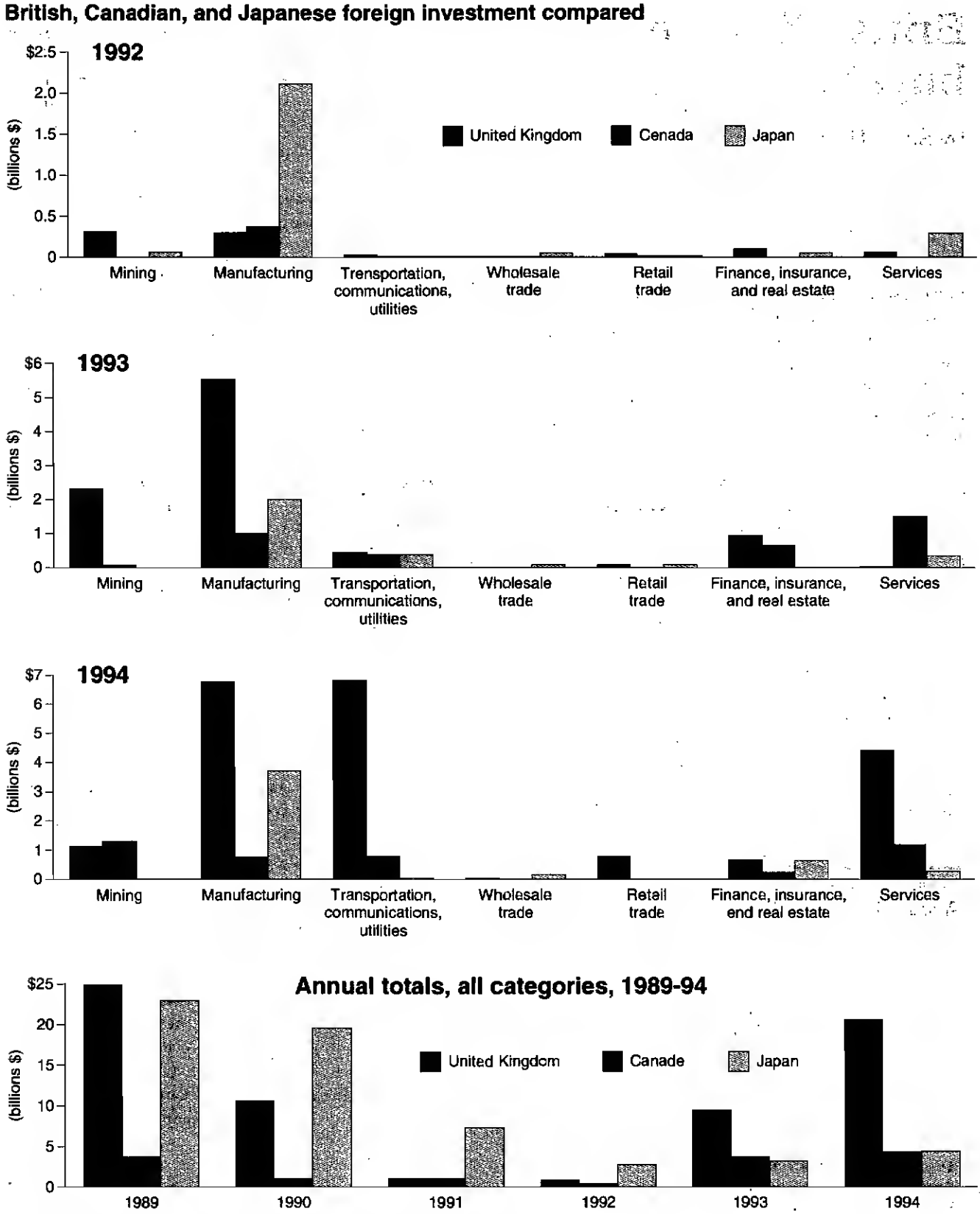
	Britain		Canada		British Empire total*		Japan	
Year	Number	$ value	Number	$ value	Number	$ value	Number	$ value
1988	188	$23.6	46	$9.7	258	$33.3	45	$11.9
1989	158	23.7	76	2.8	234	26.6	81	9.4
1990	141	9.7	61	1.7	220	12.9	85	6.5
1991	58	1.2	30	0.9	103	3.2	35	8.6
1992	80	1.5	68	0.6	166	3.5	34	3.3
1993	89	9.9	67	2.3	170	12.9	18	0.9

* British Empire is total of Britain, Canada, Hongkong, Australia, and/or New Zealand (not all years include all these countries).

Source: *Mergers & Acquisitions* (quarterly periodical).

FIGURE 1

British, Canadian, and Japanese foreign investment compared



Source: U.S. Department of Commerce, *Foreign Direct Investment in the United States.*

II. 'Empire of the Mind'

Tavistock's imperial brainwashing project

by L. Wolfe

> Various types of belief can be implanted in many people, after brain function has been sufficiently disturbed by accidentally or deliberately induced fear, anger or excitement. Of the results caused by such disturbances, the most common one is temporarily impaired judgment and heightened suggestibility. Its various group manifestations are sometimes classed under the heading of "herd instinct," and appear most spectacularly in wartime, during severe epidemics, and in all similar periods of common danger, which increase anxiety and so individual and mass suggestibility.
>
> —from Tavistock Institute psychiatrist Dr. William Sargant's 1957 book, *Battle for the Mind*

> I think the subject that will be of most importance politically is mass psychology. . . . The social psychologists of the future will have a number of classes of school children on whom they will try different methods of producing an unshakable conviction that snow is black. Various results will soon be arrived at: first, that influences of the home are obstructive. Second, that not much can be done unless indoctrination begins before the age of ten. . . . It is for the future scientist to make these maxims precise and discover exactly how much it costs per head to make children believe that snow is black. When the technique has been perfected, every government that has been in charge of education for more than one generation will be able to control its subjects securely without the need of armies or policemen.
>
> —Lord Bertrand Russell, in his 1951 book, *The Impact of Science Upon Society*

The late former foreign minister of Guyana, Dr. Fred Wills, once said that most of the diplomatic corps of the former colonies of Great Britain spent too much time trying to perfect their "Oxbridge" accents; the rest of the time, he stated, they spent searching "for a British rump to kiss." Trying to explain this behavior to his American friends, Wills said that colonialism still exists in its most powerful form, "as a state of mind of the subject peoples," even if the former colonies have been given their nominal freedom.

Wills was commenting on the success of a long-term project of the British imperial elite, effectively keynoted in remarks by Winston Churchill to an audience of Anglophiles at Harvard University on Sept. 6, 1943. Churchill was then locked in battle with U.S. President Franklin D. Roosevelt, who had, on several occasions, made clear his intent to dismantle the British and all other empires at the conclusion of the war. While refusing to concede American authority to impose a "post-colonial solution" on the Empire, a consensus emerged in the imperial elite, among the families closest to the royal family, that the old imperial structures could not be continued. To maintain control, it was proposed to shift the battlefield, away from control of territory, to control of the minds, not merely of the colonial peoples, but of United States and the rest of the Western world.

In his remarks, which were broadcast internationally, Churchill proposed that his Anglophile allies within the United States join with their Mother England in a new enterprise. It is our two countries, he said with his typical pompousness, that control the destiny of the world; who control science and technology; who control culture. These are weapons far more potent than military power, Churchill declared. To control what men think "offers far better prizes than taking away other people's lands or provinces or grinding them down in exploitation. *The empires of the future will be the empires of the mind.*"

Churchill's "secret weapon" in this battle for the mind was an elite group of brainwashers and psychiatrists, then operating in the Army's Directorate of Psychological Warfare under the command of Brig. Gen. John Rawlings Rees.[1] These were the cadre of the Tavistock Clinic, based in London's suburbs; they had already built a network of co-thinkers in the United States in various university locations, including Harvard, and wartime operational bases within the Office of War Information and the Office of Strategic Services (OSS). In addition, Britain's psychological warriors had established a beachhead in Hollywood, in the emerging radio, television, and motion picture industries.

At the end of the war, the Tavistock network, which numbered several hundred individuals, reentered civilian life, but remained under the central command of British policy circles. They proceeded to spawn numbers of think-tanks, institutes, and other "nodes" (Tavistock's term for its various allied centers of activity) in every part of the globe, dominating every key aspect of social policy; today, the Tavistock core group numbers in the several score thousand. That core group, in turn, has trained close to 1 million cadre, by their own

1. The LaRouche movement did groundbreaking work on Rees and the Tavistock network in 1973-74, publishing the results of its investigations in the *Campaigner* (Winter 1973, Spring 1974 issues). Additional work has been published in *EIR* over the last 20 years.

estimates, who serve as teachers and advisers to nearly all business, military, political, and educational elites. In ways subtle, and some not so subtle, operating as a conspiracy intervening on individual human consciousness, they have attempted to not only shape what people think, but to establish the parameters and limits of thought itself.

What is Tavistock?

The Tavistock Center, located in buildings in the London suburb for which it is named, is composed of the Tavistock Clinic and the Tavistock Institute for Human Relations, which in turn has five component institutions. Over the last five decades, it has founded a network of "international nodes," which function as mini-Tavistocks, and are involved in joint projects (see box). Its quarterly journal, *Human Relations*, published since 1947, serves as an effective briefing for the network on its more public work.

The Tavistock network owes its origins to the 1920 founding of the Tavistock Clinic, under the direct patronage of the royal family, through HRH, Duke George of Kent (1902-42). The Clinic soon earned the nickname "the Freud Hilton," for its promotion of the pseudo-science of psychoanalysis; however, it quickly broadened its horizons to include various other psychological theories. Unifying all of its theoretical studies, was the oligarchical view of man as a beast, whose impulses and urges could be controlled and tamed, as one does with animals.[2]

Tavistock's usefulness to its imperial masters can be gleaned from the work of its leader, John Rawling Rees. A virulent race patriot and believer in eugenical theories, Rees had studied "war neuroses" in France during World War I. His conclusion: Under controlled conditions, neurotic behavior could be induced, and, through these methods, individual behavior could be absolutely controlled. In later years, Tavistock operatives, such as Dr. Kurt Lewin, would elaborate on Rees's "discovery" and develop methods for inducing controlled, irrational behavior by groups of people.

Tavistock, through Rees and others, proposed that its theories be put in service as a means of social control during times of peace. In his 1945 book, *The Shaping of Psychiatry by War*, Rees reported that the work of the Tavistock group during the war demonstrated conclusively that there was a "psychopathological tenth" of the population who were genetically dullards. These dullards, should their numbers not be controlled, would soon dominate civil society. It were therefore necessary to devise methods, using psychiatry, to control such people and prevent their increase in numbers, and to control their even larger populations in backward colonial lands that threatened the civilized world. Of the remainder of the population, there were some people who, if their neuroses could be controlled, might be useful to the very small group of people whose genetic breeding and psychological training allegedly suited them for leadership. For Rees and Tavistock, the job of psychiatry was to conduct the "selection" process, by which society was divided and responsibility doled out among the dullards, the "useful" neurotics, and a genetically determined, superior 10% at the top.

Psychiatrists, Rees said, must be involved in all levels of society, prepared to intervene at any place—the home, the job, the schools—at any time. "If we propose to come out into the open," wrote Rees, "and to attack the social and national problems of our day, then we must have shock troops, and these cannot be provided by psychiatry based wholly on institutions. We must have teams of well-selected, well-trained psychiatrists, who are free to move around and make contacts with the local situation in their particular area."

Rees's book was based on a series of lectures that he gave to his networks in the United States. Within two years of the book's publication, Tavistock had expanded its operations in Britain and the Empire, and enlarged its beachhead in the United States. To the Tavistock Clinic was added the Tavistock Institute of Human Relations, to train and deploy the teams of "mobile psychiatric shock troops." In the United States, Lewin's Research Center for Group Dynamics, the spin-off National Training Laboratories, and the Institute for Social Research at the University of Michigan were all established. Money poured into this effort from royal family-sponsored charitable trusts, as well as from the Rockefellers, the Mellons, and the Morgans, to name a few of the U.S. oligarchical families whose pockets opened to the Tavistock brainwashers.

Restructuring the Empire

The British elites tabbed their Tavistock network to play a critical role in the postwar restructuring of their empire and its transition into the "Commonwealth."

In 1947, as the Tavistock Institute was being created, Rees was moved into the United Nations apparatus, creating the World Federation of Mental Health, along with Montagu Norman, the leading banker of the British Crown and the man who had maneuvered Hitler and the Nazis into power. Rees helped create more than three dozen affiliated organizations around the globe, with each promoting his neo-Freudian racial selection theories, in targeting and selecting local elites for British patronage.[3] Meanwhile, he collaborated with Sir

2. They also conducted extensive profiling of national ideologies, seeking weaknesses that could be manipulated by the British. Under Rees's direction, some of these were compiled in a 1950 book, *World Tension*. Others remain classified to this day.

3. In its voluminous output, Tavistock expresses its rejection and hatred of the Judeo-Christian view that man is created in the image of God, not in an anthropomorphic sense, but in that man, and man alone, is endowed by his Maker with human creativity. As with the cabalist Freud, Tavistock rejects the notion of human creativity, attempting to prove that it derives solely from subliminated erotic or neurotic impulses. For example, the Tavistock-trained

Julian Huxley, then heading the UN Economic, Social and Cultural Organization (Unesco), in devising programs to assist the selection of leadership cadre within the colonial sector, for special training. The UN bureaucracy itself was similarly infested with Tavistock-type group training programs to indoctrinate and control whatever cadre were sent through its mind mills. (Fred Wills described the UN bureaucracy as "the world's longest, continuously run, brainwashing program" for developing sector leaders. Those who entered it, if they indeed ever came out, had lost all touch with reality.) At the same time, Unesco set up educational and cultural programs in the colonial sector, which quickly became mechanisms for Tavistock-designed brainwashing.

When these methods of control failed, as they often did, the British Crown turned to the same Tavistock psychological warriors to devise methods for creating controlled terrorist "movements." Tavistock operatives assisted army units in the creation of what were called "gangs" and "countergangs" in the colonial sector. The technique was laboratory-tested by Brig. Gen. Frank Kitson in the 1950s in Kenya, where brainwashing and torture were used on prisoners in British POW camps to create phony, British intelligence-controlled units of the Mau Mau insurgency. Legitimate national liberation movements, fighting to win freedom from the British yoke, were penetrated and broken, their leaders killed, ostensibly by "rival" factions.

In 1970, Kitson was sent to Northern Ireland, where he—not the Irish Republican Army—launched an urban murder and bombing spree that triggered a quarter century of violence and psychological terror.

Following Rees's departure from Tavistock, the man who ultimately took charge of the network was a Rees protégé, Eric Trist. Trist's primary assignment was to expand Tavistock's operations in the United States. But first, he launched a major Tavistock's project: management training. In "Tavis-talk": "Operational Research." With the approval of the highest circles of the British elite, Tavistock's brainwashers were contracted by the Empire's corporate entities to "restructure" their management and workforces from within. One section of this was targeted at breaking the power of trade unions, by inducing them to become part of management teams (co-participation); but by far the largest component of these operations placed management itself through group-profiling and therapy-like sessions to force higher "productivity." Among the corporations put through this brainwashing were Shell, Unilever, the British government-run coal industry, and several major financial institutions. Today, most major corporations have staff psychologists, or contracts with them, while corporate meetings are often run by a group leader, called a "facilitator," hired for the task.

psychopath R.D. Laing claims that there is no distinction between the creative act and insanity, purporting to "prove" that the most creative individuals generally reside in mental institutions.

Post-industrialism as neo-colonialism

Writing in a 1990 Tavistock anthology titled *The Social Engagement of Social Science*, Trist laid out Tavistock's current mission statement: "All nodes express the philosophy of the social engagement of social science. The engagement is with meta-problems that are generic and field-determined rather than with issue-specific single problems." Translated from Tavistockian psychobabble into English, Trist is stating that Tavistock does not merely study a large social problem, but intervenes ("social engagement") to bring about a desired result. He continues: "The work is future oriented and concerned with the transition to the post-industrial social order and the paradigm shift which this entails."[4]

Tavistock's work in this area dates back to the 1950s when it conducted studies on the impact of "cybernetics" on the workforce of industrial countries, and on the emergence of the "service-oriented economy." In the 1960s, Tavistock operatives conducted studies on the effects of the Kennedy space program on Americans, and found that they were contributing to inhibiting the post-industrial shift; British-controlled policy interests moved to shut down the space program.

During the 1960s, Tavistock produced a series of reports and papers, spelling out how to effect the "post-industrial shift." The seminal work was done by Trist himself, who was at the time based in the United States, and his protégé, Fred Emery, working out of Tavistock and Australia. Their work is summarized in a 1973 volume, *Towards a Social Ecology—Contextual Appreciation of the Future in the Present.*

The "problem" confronted by Trist and Emery, on behalf of their imperial masters, was as follows. For the last 100 years, the world had been governed by the "industrial paradigm," in which people saw that application of new technologies has produced a better life for increasing numbers, over successive generations. Now, however, we have the emergence from backwardness of the former colonial world; the emerging nations, if they are assimilated into this industrial paradigm, will desire the same route to progress and a better life. Industrial progress, thus, explicitly threatens the power of the British oligarchy, creating the basis for the establishment of nation-states that oppose continued oligarchical rule.

4. The Tavistock brainwashers use the term "paradigm" to describe a set of beliefs and institutional structures that govern a given social or historical period. It is arbitrarily applied and not precise in the delineation of such periods. Thus, the "post-industrial paradigm" overlaps the "New Age paradigm" and both co-exist at the boundary of the old "industrial paradigm." When discussing the "shift" from one paradigm to another, Tavistock's writings tend toward Hegelian metaphysics. Left out deliberately, is the role that Tavistock and its sponsors play in bringing about these attempted "shifts," including the test-tube creation of mass popular movements. For example, Tavistock played a crucial role in fomenting and designing the rock-drug-sex counterculture of the 1960s. Similarly, their methods were used in the recruitment of members of the "New Left" from that period. These elements were crucial to their so-called New Age and post-industrial paradigms.

Tavistock Center's 'international nodes'

The Tavistock Center, which is comprised of the Tavistock Clinic and the Tavistock Institute for Human Relations, has five sub-units in London, the Human Resources Center, the Center for Applied Social Research, the School of Family Psychiatry and Community Health, the Institute for Marital Studies, and the Institute for Operational Research. The following list of the center's "international nodes" is drawn from Eric Trist and Hugh Murray, eds., *The Social Engagement of Social Science: A Tavistock Anthology* (Philadelphia: The University of Pennsylvania Press, 1990). The names given are "initiating individuals." The commentary is *EIR*'s.

United Kingdom

Scottish Institute of Human Relations: Jock Sutherland; created in the 1960s by Sutherland, a former director of the Tavistock Clinic.

Center for Family and Environmental Research: Robert and Rhona Rapoport; Robert Rapoport had been involved in the Tavistock study that led to the dismantling of the U.S. space program.

Department of Continuing Management Education, Loughborough University: Garth Higgin; promotes sensitivity training among management elites.

Foundation for Adaptation in Changing Environments: Tony Ambrose, Harold Bridger; promotes the "post-industrial" paradigm shift; it is now based in Geneva because of its close affiliation with the UN's World Health Organization.

Organization for Promoting Understanding in Society (OPUS): Eric Miller; established by Sir Charles Goodeve, the dean of British "Operational Research" and a Tavistock board member.

Europe

Work Research Institute, Oslo, Norway: Einar Thorsrud, Eric Trist, Fred Emery; works worldwide, including through UN programs, on control of technology and socio-ecological brainwashing.

School of Business Administration, Erasmus University, the Netherlands: Hans van Beinum; funded by the Dutch monarchy to push malthusianism.

Institute for Transitional Dynamics, Lucerne, Switzerland: Harold Bridger; specializes in "organizational transitions."

Australia

Center for Continuing Education, Australian National University: Fred and Marilyn Emery; responsible for much of Tavistock's work in Asia.

Canada

Action Learning Group, Faculty of Environmental Studies, York University, Toronto: Eric Trist; coordinates much of Tavistock's work in the developing sector, as well as serving as the Canadian Tavistock.

Quality of Working Life Center, Ontario: Hans van Bienum; specializes in employee-worker relations.

India

BM Institute, Ahmedabad: Jock Sutherland; Kamalini Sarabhai; a center for child and family psychiatry.

National Labor Institute and Punjab Institute for Public Administration: Nitish De, Fred Emery; pushes the control of technology and ecological concerns; maintains strong ties with the Australian node.

United States

Wright Institute, Berkeley, California: Eric Trist; Nevitt Sanford; Sanford was one of the principal authors of Tavistock's "Authoritarian Personality" project; the institute functions as "the U.S. Tavistock, West), training psychiatrists.

A.K. Rice Institute: Margaret Rioch, A.K. Rice; specializes in the application of group dynamics brainwashing to community situations; based in Washington, D.C., it has dozens of U.S. chapters.

Center for the Quality of Working Life, UCLA: Louis Davis, Eric Trist; coordinating point for profiling the U.S. population, and mass brainwashing to promote the post-industrial paradigm shift.

Department of Social Systems Sciences, Wharton School, University of Pennsylvania: Eric Trist, Russell Ackoff; the "U.S. Tavistock, East," and for years, Trist's main base of operations.

Trist and Emery came up with the following answer: If a post-industrial paradigm is imposed on the advanced sector, then it will also define the limits of growth for the "developing sector." Since such nations as those in Africa are several decades from being assimilated into the post-industrial paradise, there will be a mixed system of post-industrial advanced countries and semi-industrial and mineral-extractive lands in the "developing sector," they indicate. This imbalance defines the basis for continued exploitation and control of these areas by the British-dominated world oligarchy.

The question is then posed: How to get society to make what are called in the Tavistock circles "Reesian," or "critical" choices, in which all of the possible choices are "bad" and lead to a degraded condition? Tavistock had clinically proven that an individual will make such choices when placed under extreme stress, and, most importantly, will fail to see the rejection of the parameters of the choice itself as an option. Emery and Trist reported that if society were put through extreme stress—what they termed *social turbulence*—the appropriate degenerated and psychotic mental states could be induced in the mass of western population to make a "choice" for a post-industrial future.

The Tavistock brainwashers spoke of a period of successive social, economic, political, and cultural shocks beginning in the 1960s, that would create a vortex-like push of mental states to successively more degenerate levels of defensive adaptation. All of these *maladaptive* responses, as they call them, are present in the society at the same time, interacting with each other, to produce neurotic behaviors on a grand scale. To a world put through terror and stress, a post-industrial future looks bright, they offer. The role of the Tavistock shock troops, say Trist and Emery, is to "assist the weary" and to bring them over the threshold into the new post-industrial age.

Drug-rock-sex counterculture

Thus, it should come as no surprise, that the British Empire, working largely through Tavistock, was the driving force behind launching the drug-rock-sex counterculture. Tavistock "shock troops," such as Dr. William Sargant and Dr. Ewin Cameron, were brought in to lead the Pentagon and the Central Intelligence Agency's 1950s and 1960s secret experiments with psychotropic drugs and mind control, known as MK-Ultra.

Tavistock fellow-traveler Aldous Huxley, the guru of the 1960s New Age movement, was living in Hollywood, working in the motion picture industry, and cranking out such works as *Brave New World,* which, decades before the first doses of LSD-25 hit the streets, already advocated societal drugging as the ultimate form of social control.

Huxley was even more explicit about his and Tavistock's agenda, in a 1961 lecture at the California Medical School in San Francisco, sponsored by the U.S. State Department's Voice of America. Huxley told the crowd of doctors, psychiatrists, and government bureaucrats: "There will be in the next generation or so a pharmacological method of making people love their servitude and producing dictatorship without tears, so to speak. Producing a kind of painless concentration camp for entire societies so that people will in fact have their liberties taken away from them but will rather enjoy it, because they will be distracted from any desire to rebel—by propaganda, or brainwashing, or brainwashing enhanced by pharmacological methods. And this seems to be the final revolution."

Tavistock oversaw the mass drugging of America's college students in the late-1960s, helped launch "gangs and countergangs" which the zombified youth joined. Meanwhile, Tavistock's in-place network of institutes and clinics, such as Esalen in California, put hundreds of thousands of youths and others through brainwashing "sensitivity sessions," as Tavistock-created and -trained gurus such as Timothy Leary, helped lead the drug-infested masses into "the New Age." In 1967, Tavistock even sponsored a summer-long brainwashing session in London, dubbed "Conference on the Dialectics of Liberation." American radicals Angela Davis and Stokely Carmichael were among the participant-victims in this session. A generation, once slated to lead the United States and the world into an era of unprecedented progress and prosperity, was thus transformed into a collection of doped-up zombies, "change agents," and shock-troops for Tavistock's Brave New World.

The new order: stateless world fascism

In 1991, Tavistock devoted significant space in its journal *Human Relations* to the publication of results of a multi-year project on world governance and social change, that had been initiated by Trist in the 1980s and involved participants from many Tavistock nodes and its international network.

The results of the study must be viewed as a policy recommendation to the imperial elite whom Tavistock serves. Its results can be summarized as follows. The collapse of the Soviet Union as a superpower created new possibilities for world governance and for the full entrance of the world into the post-industrial era. The greatest impediment to that change was the continued existence of the nation-state. As long as the Soviet Union existed, the continuance of the nation-based world system, in some form, was necessary to maintain a balance of power. It were now finally possible to look beyond that form, to a new system of world relations. That system, as described in the introductory paper for the series by David Cooperrider and William Pasmore, the study coordinators from Case Western Reserve University, is based on "the current *transnationalization of world affairs* whereby international relations of the nation-state system have been superseded or supplanted by *non-territorial* relations among private individuals, groups, and organizations."

What is described, and proposed, is the reformation of the United Nations along lines already well in progress, to turn over all operations and key relations to an international network of hundreds of thousands of non-governmental organizations (NGOs) and other groups, of varying size, shape, and form. As the study reveals, virtually every one of these groups either traces its origin to the Tavistock network's operatives, or is influenced by such operatives. Nearly all such key groups have funding connections to either the British oligarchy and its American spores; in many cases, they have direct connections to the House of Lords, and its members (see p. 29).

The nation-state, says Tavistock, made the industrial age possible. Remove it, and the industrial age will die, replaced

by what is called the "axial age," to be defined by "informal relations," with the main medium of communication between peoples and groups, being through computer interface. Such interface, now more commonly known as the "Internet," can link these disparate groups, which Tavistock calls "global social change organizations," and vastly enhance their activities and ease of deployment.

There will be resistance to such ideas, say the rapporteurs, coming from the entrenched bureaucracies of the industrial age and the transitional period. For example, the huge multinational corporations which had helped usher in this "globalization" process, must eventually give way to new forms of organization, based on more informal structures; the corporate form, they say, is a relic of the industrial age. Government must become based more on smaller planning groups, in local communities, tied together by telecommunications. Even the UN, with its cumbersome bureaucracy, must serve more as a forum for such local groups, and less as a service to national governments. As for questions of sovereignty, they are soon to become even more meaningless, since the telecommunications Internet can pass through any defense, any border.

The transition to this new world will not be easy or without suffering, Tavistock indicates. It expects an economic cataclysm, as the old system crashes down. But, not to worry: The Reesian shock troops will be there to ease the pain and help us into this Brave New World of universal fascism.

The typical member of one of these NGOs described in these reports is a zealot, not so unlike a member of a cult or Nazi Party official. But, one also notices a sickly smile across their faces, even as they are in heated argument. That smile, it has been noted, is the same seen on the victims of Tavistock's brainwashers in their various mind-destroying "experiments." The "Tavistock Grin," as it became known, is the true face of the new world order.

The invisible empire of NGOs

by Joseph Brewda

One of the weapons that the British Empire has deployed against the nation-state in recent years is the "NGOs," the non-governmental organizations. Under the cover of defending "human rights" and the "environment," or organizing "humanitarian relief," NGOs are routinely used to target states for discreditation, subversion, civil war, democratic coups, and revolution. The Commonwealth Foundation of Britain, which coined the term in the 1960s, defines NGOs as "voluntary, independent, not-for-profit organizations," seeking to "improve the circumstances and prospects of disadvantaged people" and "to act on concerns and issues which are detrimental to society as a whole." The foundation was created in 1966 to help manage the nominal transition from the Empire to the Commonwealth.

According to the foundation, the NGOs are a new phenomenon; however, the network is quite ancient, and spans everything from the privately owned foundations of Britain's ruling families, to their single-issue conduits, with which the term is usually associated. This network, which elevates and topples politicians, manipulates public opinion, spawns new religious movements, plots revolutions, and assassinates heads of state, is in many respects as powerful as government bodies whose power flows from the Crown. There are now over 500,000 NGOs in Britain alone, according to the foundation, with an annual turnover of $30 billion. Of these, a hard core of several hundred, run by the ruling families, guides the whole herd.

House of Lords wage war and insurrection

The House of Lords, which is a meeting ground used by the families to announce previously agreed-upon policies and to define targets, has a special role in coordinating this army. Media propaganda campaigns and clandestine operations, are often decided here, and then assigned to subordinate agencies in government and to NGOs.

Some of the more important of these NGOs are led by members of the House of Lords directly. Lord Judd (Frank Judd), the former foreign secretary, for example, runs Oxfam (Oxford Famine), the arms-running famine relief agency. Similarly, the recently deceased Lord Ennals (David Ennals), also a former foreign secretary, ran Amnesty International, the terrorist support network and propaganda arm, as a family proprietary. Baroness Chalker of Wallasey (Lynda Chalker), the Minister of Overseas Development Administration (the new name for the old Colonial Office), meanwhile, directs all foreign grant-making by the British government, including to the NGOs.

The activities of Viscount Cranborne, Lord Avebury, and Baroness Cox of Queensbury, typify the way in which the families use NGOs to run international terrorism, and related measures, to destroy nation-states.

NGO puppet-masters

Viscount Cranborne (Robert Cecil): Lord Privy Seal (chief of the Queen's Privy Council) and Leader of the House of Lords. Viscount Cranborne operates at the highest rank of the British nobility; his family, the Cecils, is one of Britain's oldest and most powerful oligarchical families. His great-grandfather, the Third Marquess of Salisbury, was the prime minister at the turn of the century, who played a key role in setting up World War I; his grandfather, was a World War II Colonial Secretary.

Viscount Cranborne was a primary organizer and overseer of the first phase of the Afghanistan war (1979-88), dur-



Queen Elizabeth in New Zealand, visiting the Maori Arts and Crafts Institute's wood-carving school at Rotorua. She is wearing a traditional Maori cape made of kiwi feathers. The non-governmental organizations are one of the most important mechanisms whereby the power of the British oligarchy is extended internationally.

ing the Soviet occupation. His own NGO, Afghan Aid U.K., helped create the Afghan mujahideen terrorist network now deployed throughout the world. One of his top aides in that operation, the late **Lord Bethell** (Nicholas Bethell), Lord-in-Waiting to the Queen, was a top British Middle East intelligence officer, running his own NGO, Radio Free Kabul.

Lord Avebury (Eric Lubbock): chairman of Parliamentary Human Rights Group. As the *capo di tutti capi* of the international human rights mafia, Lord Avebury plays a central role in deploying NGOs internationally. The first Lord Avebury was a banker to the British royal family in the mid-nineteenth century; his maternal line, the Stanleys, have dominated the British Foreign Office for the last two centuries. His cousin, Lord Stanley, was also a World War II Colonial Secretary.

Lord Avebury typically supports all sides of all conflicts to ensure continuing conflict. The following list of struggles is exemplary. Avebury is:

- the top lobbyist for the Chechen terrorist war against Russia, working closely with Amnesty International, Quaker Peace and Service, and Pax Christi;
- the top lobbyist for an independent Kurdistan, carved out of Turkey, Iraq, and Iran, working closely with the International Forum for Islamic Dialogue, and the Unrepresented Nations and Peoples Organization;
- the top international lobbyist for the Kashmir separatist movements destabilizing both India and Pakistan, working closely with International Alert, and the Kashmiri American Council.

Lord Avebury's sidekicks in his Human Rights Group include Lord Archer of Sandwell (Peter Kingsley Archer), president of the Fabian Society and former chairman of Amnesty International; and Lord Braine of Wheatley (Bernard Richard Braine), chairman of the Tibet parliamentary group, which is targetting China for breakup.

Baroness Cox of Queensbury (Caroline Cox): Deputy Speaker of the House of Lords. Baroness Cox works closely with Lord Avebury in pushing civil wars. Her Christian Solidarity International, which coordinates religious-formatted assaults throughout the world, is the top promoter of the Armenian claims to Nagorno-Karabakh, which provoked the Armenian-Azerbaijan war. It also is a primary coordinator of the rebellion in southern Sudan. Her Jagiellonian Trust is a main conduit for British operations in Poland.

The NGOs at work

The way NGOs can overwhelm a targetted state is indicated by their numbers alone: for example, the impoverished former British colony of Bangladesh.

There are currently 16,000 NGOs operating in Bangladesh, according to a 1995 report of the Commonwealth Foundation, almost all of which are administered or funded by foreigners. That works out to 0.3 NGOs per square mile. The reach of these organizations is impressive. One of them operates in 85,000 villages, on behalf of an immunization program, the foundation reports, while another, which offers credit to poor people, has 900 branches and works in 23,000 villages. There are no accurate figures available on the total funds that these NGOs conduit into the country, because in Bangladesh, as elsewhere, the NGOs routinely evade what

few financial reporting requirements exist.

What are they up to? Well, for one thing, the explosive growth of the NGOs in Bangadesh and other targetted nations has created a private army outside the control of the governments. This private army is often, in effect, a privatized form of what used to be directly run by the Foreign Office.

In the former British colony of Sri Lanka, for example, the Commonwealth Foundation reports that one rural development NGO has 9,000 paid field workers and 41,000 local field workers, working in 10,000 villages throughout the country. In a country gripped by civil war, and where the average income is less than $50 a month, it does not take much to buy people.

It may not be the case that every one of these organizations is dedicated to subversion in Bangladesh, Sri Lanka, or elsewhere. But the leading NGOs operating there, and the network as a whole, are.

Oxfam (Oxford Famine), established by a group of Oxford dons opposed to starvation, is a case in point. In Bangladesh, Oxfam's effort against famine takes the form of funding the Gana Sahajya Sangsta, a professedly "revolutionary" NGO, which openly calls for class struggle. Its role in Sri Lanka is even worse. In the 1970s, it provided the funding and base-camps in southern India used to train and equip the terrorist Tamil Tigers, who plunged Sri Lanka into a continuing civil war which has claimed tens of thousands of lives.

The Geneva-based Lutheran World Federation is also typical of the subversive character of the NGOs. In 1987, and then in 1995, it was caught supplying arms and ammunition to the rebel Sudanese People's Liberation Army in southern Sudan, in the guise of famine relief for the victims of the civil war. Since its independence from Britain in 1956, Sudan has been largely wracked by civil war directed by the Royal African Society.

Then there is the International Red Cross. Operating under the claim that terrorist and separatist movements should be accorded the same legal status as states, IRC routinely supplies matériel to British-run insurgencies throughout the world. In 1995, it was caught supplying the Zapatista rebels in Chiapas, Mexico. That same year, the Sri Lankan government banned Red Cross as a "terrorist support organization," after it was caught supplying the Tamil Tigers.

To make matters worse, European governments, the United States, and international funding organizations such as the World Bank, are increasingly channelling their aid to various nations through NGOs. As a result, impoverished nations are faced with either giving free rein to organizations out to overthrow them, or cutting ties to lending institutions. Thirty percent of foreign assistance given by the Swedish government in 1994, for example, was channelled through NGOs, according to Britain's Overseas Development Institute. The United States, the world's largest donor, channeled 9% of its funds through such organizations that year, and has announced plans to increase that percentage to 50% by the end of the decade. In 1994, NGOs were directly involved in over half of all World Bank projects, not only in their implementation, but in their planning and design.

As a result of this policy, there are probably 250 million people worldwide, according to the United Nations Development Program, who are "touched" by NGOs, and this "will rise considerably in the years ahead." According to the Commonwealth Foundation, "the NGO explosion can be seen as one of the manifestations of new thinking about the role of government—that it should be more that of policy maker and less that of provider. Thus governments have turned to NGOs to do more of providing. Privatization, decentralization, and localization are parallel manifestations of the same general trend."

Martin Palmer: Prince Philip's guru

by Mark Burdman

"The WWF is a missionary organization."
—Martin Palmer, *Dancing to Armageddon*

Prince Philip, the British Royal Consort and international president of the World Wide Fund for Nature (WWF, formerly World Wildlife Fund), may be evil, but he is certainly not intelligent. For what passes for his ideas, he must turn to others. Of special importance in this respect, is the man often referred to as his "guru" on religious and ecological matters, Martin Palmer, head of the Manchester, England-based International Consultancy on Religion, Education, and Culture (Icorec).

It was Palmer who organized the 25th anniversary of the World Wildlife Fund, in Assisi, Italy, on Sept. 22-29, 1986, specifically around the orientation that the Renaissance "image of man," associated with Leonardo da Vinci and collaborators, had to be eliminated. Palmer's view, then, was that "non-western, alternative ways of looking at nature" had to be fostered to create "a new way of looking at the world" (see *EIR*, Sept. 5, 1986, "Prince Philip to Set New 'Satanist Covenant' in Assisi," and "Why the WWF Hates Leonardo da Vinci").

In Assisi, was launched the WWF's Network on Religion and Conservation, managed out of Palmer's Manchester offices. It was under the guidance of the notions propagated by this network, that Prince Philip made his declaration in Washington, D.C., in May 1990, praising the "ecological pragmatism of the so-called pagan religions" as being "a great deal more realistic, in terms of conservation ethics, than the more intellectual monotheistic philosophies of the revealed religions."

Later, the Network on Religion and Conservation was

superseded by the Alliance of Religion and Conservation (ARC), the which will, in coming years, take over much of the project work formerly carried out under WWF auspices. The ARC was launched at a World Summit on Religion and Conservation, which took place at the Royal Family's Windsor Castle on April 29-May 3 of last year. It brought together representatives of "the nine major religions of the world," into which designation were lumped together the monotheistic religions of Christianity, Judaism, and Islam, with Buddhism, Hinduism, Sikhism, Taoism, Jainism, and the Bahais. All representatives (with only that of Judaism dissenting) issued statements, presuming to draw a coherence between that faith's beliefs and the "conservationist/ecologist" views of the WWF. Among highlighted projects of ARC, are close collaboration with the unwashed monks of Mount Athos, to foster an "ecological" pilot project on that island, and work with the Taoists of China to preserve the "Taoist sacred mountains."

Transforming our 'mental archaeology'

Palmer's viewpoint, expressed in numerous published locations and private communications, is that the crude propagandist "doomsday-ism" of the Green/ecology movement, is not the right approach, if one wants to accomplish the agreed-upon goals of the WWF and its co-thinker organizations. In fact, that crude approach is self-defeating. Rather, what must be done, is to attack the underlying axioms, beliefs, and defining paradigms that underpin the belief in progress, especially in those parts of the world most affected by Western, Judeo-Christian civilization.

That is why his strategy fundamentally revolves around systematic cultivation of allies within religions and faiths, since religion is the intellectual and emotional medium, through which vast numbers of humans express their understanding of the relations among man, God, and nature. Palmer is clever enough to understand, that it was the understanding of that relationship by the great thinkers and artists of the fifteenth-century Golden Renaissance, encapsulated in the notion of *imago viva Dei* ("in the living image of God") that allowed mankind to make giant strides, toward higher levels of scientific and technological capabilities, and to bring about a vastly increased potential population density globally. It is this notion of *imago viva Dei* that Palmer seeks to reverse, through the "missionary" work of the WWF.

In his 1992 book *Dancing to Armageddon*, Palmer elaborates his method. He claims that what defines the sense of reality for people are "stories." By "stories," he means unspoken and unchallenged cultural axioms mediated through myths. According to Palmer: "We all inhabit worlds shaped by stories, but most of us have never stepped back to look at those stories. . . . We are profoundly shaped and influenced by the stories we tell, by the stories that are told around us, by the stories we think are actually fact, and by the stories that have shaped the very language, imagery, and terms we use today." His task is to "undertake a mental archaeology of the substructures, the hidden stories, upon which we continually build as we erect our models of what and who we are and where we are going." He attacks "one of the fondest illusions of our age," namely that "we are 'realistic' or 'factual' in our approach to life. We are not."

Palmer presumes to show that, in our modern American and European societies, we have come to take for granted, the view that "human beings are the pinnacle of evolution, the *raison d'être* of life, and that the American (and with it, the European) way of life—conquest, colonization, and exploitation—is nothing less than the way life and always has been."

This is not true, in Palmer's view. What be fostered are "stories," or myths and metaphors that demonstrate that "the impact of human beings on this planet is now so disastrous that we have already destroyed countless species and habitats and others are in grave danger."

A war against 'anthropocentrism'

A professed Christian, Palmer removes from Christianity all of that which has made its contribution to humanity's history essential, namely, its commitment to "anthropocentrism." In his 1993 book *Coming of Age: An Exploration of Christianity and the New Age*, Palmer excoriates the "anthropocentric gospel." He rails against Christianity's "deification of humanity and its products, science and industry, culminating in the revival of that most arrogant of statements, 'Man is the measure of all things.' "

The entire edifice of Christianity, Christ as the Son of God and as the Savior of Mankind, is built upon anthropocentrism; without it, Christianity is turned into a gnostic heresy. That is precisely Palmer's aim. It is only because of "anthropocentrism," and its consequence of bringing about higher levels of development of the human species, that we have reached a point beyond ape-like existence, such that Martin Palmer himself could be born and propagate his ideas. (Some might be tempted to cite that as an argument against anthropocentrism.)

One of Palmer's leading bogeymen is the biblical Book of Genesis, and its injunction that mankind should "replenish the earth, and subdue it," and have "dominion over nature." His theology replaces this with what he calls "the stewardship model" of man's relationship to nature. This will bring about an "integration" with "elements of nature" of the type that "shamanism and certain forms of the 'pagan' religions inculcated through their practices and beliefs." "Shamanism" is a form of "healing," largely dependent on witchcraft and magic, that is practiced, today, only in the most backward areas of the globe.

Palmer lauds those variants of Christianity that, he asserts, reject the traditional Judeo-Christian commitment to science, technological development, and the dominion over nature. For example, in his view, the superiority of Eastern Orthodox Christianity, relative to the predominant strands of Roman Catholicism and Protestantism, is precisely that it did *not* go through the processes associated with the Renaissance. In

the Orthodox world, "humanity was always seen as having a special role not just before God, but before all creation. For the Orthodox, from whom no industrial revolution or scientific upsurge ever came, humanity is called to be a poet, one who tells the story of all life and in telling, creates the fullness of all life." For Martin Palmer, poverty is glorified as poetry.

Similarly, he glorifies the Nestorian heresy. This was launched in the midst of bitter feuds within the Catholic Church in the fifth century, and is founded on the insistence that Christ did not have a divine nature, but was only a good man. Nestorianism grew, as a key channel between oligarchical centers such as Venice in the West, and the vast area comprising Central Asia and China; it was used, by Venice, as one key instrument for communicating with, and manipulating, the rampaging Mongols. Why does Palmer like the Nestorians so much? Because, in his words, they "were unbound by the later theological developments of the West; Augustine and Aquinas, for example, were simply unknown to them."

Going one step further, he supports the "new vision of creation" associated with such current-day New Age gnostics as Matthew Fox, the founder of "Creation Spirituality." Fox and co-thinkers are praised by Palmer for opposing "the Christian tradition that has always taught that humanity has a special role in creation." Two years after the publication of Palmer's 1993 work praising him, Fox became the center of heated controversy in the United Kingdom, when it was revealed that he was the chief spiritual adviser to one Rev. Chris Brain. The latter caused what one British commentator, Madeleine Bunting, described as the Church of England's "most damaging crisis for decades," when he used his so-called "rave" religious services to sexually abuse women. His activities were sanctioned by the Anglican Church, "up to the highest levels," she wrote. Queen Elizabeth II is the Supreme Governor of the Church.

'If this means shrugging off humanity, so be it'

But Palmer doesn't restrict himself to subverting Christianity from within. He also promotes those religions and belief-structures outside of a nominally Christian context, the which, he asserts, are most hostile to the future progress of humanity. He lauds Taoism (yin/yang, cyclical theories of nature), and those variants of Buddhism and Hinduism that, he claims, are coherent with the so-called "Gaia hypothesis" of British science-faker James Lovelock. The "Gaia hypothesis" is a modern-day variant of traditional gnostic worship of the Mother Earth goddess. And how does Palmer see the implications of the Gaia hypothesis?: "What the earth cares about is its own continued survival, and if this means shrugging off humanity, then so be it. One of the most challenging ideas emerging from the environmental crisis and from concepts such as Gaia, is the notion that humanity really isn't that important. This poses major problems to Christianity, Judaism, and Islam. . . ."

The Unabomber could not have said it better.

The new Empire's propaganda machine

by Charles Tuttle

The British Empire does not have a free press, contrary to whatever appearances have been fostered. Rather, it has a tightly regulated propaganda machine, which is run, top down, by the British monarchy, through its vast intelligence apparatus. In recent decades, this propaganda cartel has targetted the United States, buying up hundreds of American newspapers, taking over major book-publishing houses, and virtually locking up control of such vital areas as scientific publications and specialty legal and economic journals. The following are thumbnail sketches of just some of the larger components of the cartel.



Key personnel:

Marmaduke Hussey: chairman 1986 (executive board Thomson Organisation 1971- ; CEO Times Newspapers Ltd., 1971-80, director 1982-86; membership board, British Council 1983- ; trustee, Rhodes Trust, 1972-91; trustee, Royal Academy Trust 1988-).

William Jordan, CBE: governor 1988 (council Royal Institute of International Affairs 1987; governor London School of Economics 1987- ; general secretary, International Confederation of Free Trade Unions 1995- ; president European Metal-Workers Confederation. 1986-95).

The Rt. Hon. Lord Cocks of Hartcliffe, PC: vice chair 1993 (parliamentary secretary to the Treasury and Chief Government Whip 1976-79; Opposition Chief Whip 1979-85).

At the top of the propaganda pyramid is the British Broadcasting Corp. Wherever the British Crown has moved to overthrow a government, foment a tribal or civil war, or ruin an economy, BBC has been there, to fuel the process, and, often, to provide marching orders to British-steered factions, and

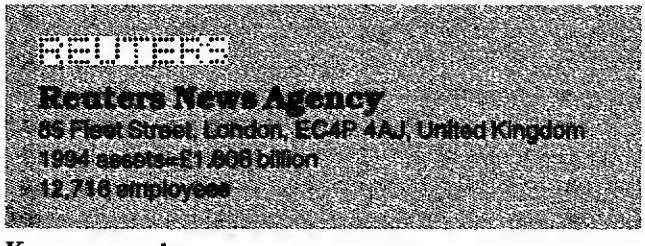
even logistical data.

In 1985, it was admitted that Britain's domestic security service, MI-5, has responsibility for all BBC personnel decisions. No one works for BBC who has not been "vetted" by MI-5.

At the end of World War I, Adm. Reginald Hall was placed in charge of expanding and reorganizing British intelligence. Hall immediately tapped the Canadian, William Stephenson, to develop a strategy for using the British media as an integral part of Britain's secret intelligence. Stephenson, joined by Minister of Information Lord Beaverbrook, Royal Air Force figure Gladstone Murray, and War Propaganda Bureau operative H.G. Wells, pushed for the creation of a British Broadcasting Corp., to get in on the ground floor of the emerging technologies of broadcast radio and television.

In 1927, BBC was formally absorbed into the British Crown structure via Royal Charter. By 1936, BBC was cranking out foreign language broadcasts around the globe. With the declaration of war with Germany, in 1939, BBC established the BBC Monitoring Service, to recruit an army of "stringers" to gather intelligence around the world. To insure tight control over BBC's foreign intelligence and propaganda efforts, BBC executive Malcolm Frost was appointed to Prime Minister Churchill's Security Executive, the oversight committee responsible for MI-5.

Today, BBC World Service broadcasts 24 hours a day overseas, in English and 40 other languages. BBC is overseen by a Board of Governors appointed by the Queen in Council, and is responsible to the Foreign and Commonwealth Office of the British Department of State, run by Baroness Lynda Chalker.



Key personnel:

Sir Christopher Hogg: non-executive chairman 1985- (director of the Bank of England; former chairman Coutaulds PLC; director SmithKline Beecham PLC; member international council J.P. Morgan; trustee Ford Foundation).

Sir David Walker: director 1994- (director the Bank of England; chairman British Securities and Investments Board; chairman Morgan Stanley Group-Europe PLC; deputy chairman Lloyd's Bank PLC).

Pehr Gyllenhammer: director 1984 (member, Trilateral Commission; director Kissinger Associates; chairman Volvo 1983-93; advisory board member, Chase Manhattan Bank 1962-).

Charles Sinclair: director 1994- (group chief executive Daily Mail and General Trust PLC; director Euromoney Publications PLC; director Schroders PLC).

The Rt. Hon. The Lord Browne-Wilkinson: trustee (called to Queen's Council 1972; vice chancellor Supreme Court 1985-91).

David Cole, CBE: trustee (former deputy managing director International Thomson Organisation PLC; chair Thomson Foundation 1986-).

The Hon. Alan Hare, MC: trustee (deputy chairman *The Economist* 1985-89; Foreign Office 1947-61; *Financial Times* 1963-84, chairman 1978-84; member, Press Council 1975-78).

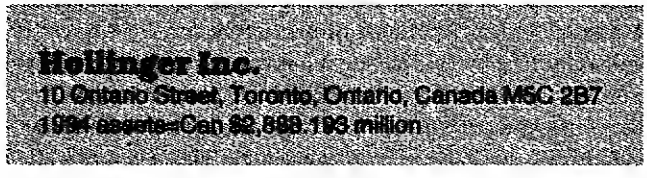
Arthur Ochs Sulzburger: trustee (former chairman, publisher the *New York Times*).

Reuters operates the largest news-wire service in the world, with the world's most extensive international private satellite and cable communications network. Their news services produce in 19 languages, and have 198 branch offices within 86 countries. Over 4,000 intelligence operators are currently employed in 149 countries. Reuters Television is the world's largest international television news agency, reaching some half-billion households in over 80 countries.

Reuters was founded in 1850 by German-born Julius Reuter, who moved to England from France, following the completion of the English Channel telegraph cables. He established a telegraph service for transmission of international news to British newspapers. Reuters was accused during World War I of being a British Crown front, a charge difficult to deny, as managing director Roderick Jones was head of the Department of Propaganda.

In 1925, the British Press Association (PA) took majority shareholding in Reuters. In 1941, Reuters Trust was established as financial holding company, jointly owned by the PA and the Newspaper Proprietors Association (NPA). Australian Associated Press and New Zealand Press Association joined Reuters Trust in 1947.

Reuters moved into computerized financial data in the mid-1960s, and now dominates the field worldwide.



Key personnel:

The Hon. Conrad Black: chairman and CEO (Canadian Privy Council; Trilateral Commission; director Canadian Imperial Bank of Commerce; International Institute for Strategic Studies; advisory board Bilderburg Society meetings).

Richard Perle: (fellow, American Enterprise Institute 1987- ; assistance secretary of defense for international security policy 1981-87; director Jerusalem Post Publications Ltd.).

Richard Hambro: (Hambros Bank 1964- , group manage-

ment director 1986-94; chairman J.O. Hambro & Co. 1994- ; director Anglo American Corp. of South Africa 1981- ; member international council U.S. Information Agency 1988-).

Baroness Margaret Thatcher of Kesteven: (British prime minister 1979-90; Thatcher Foundation).

Giovanni Agnelli: (Trilateral Commission; chairman Fiat 1966- ; international advisory committee, Chase Manhattan Bank; advisory board Bilderburg meetings; World Wide Fund for Nature; 1001 Club).

Sir James Goldsmith: (CEO Goldsmith Foundation 1991- ; World Wide Fund for Nature; 1001 Club).

Dwayne Andreas: (chairman Archer Daniels Midland).

Zbigniew Brzezinski: (chairman Trilateral Commission 1974-77; U.S. national security adviser 1977-81).

Paul Volcker: (chairman U.S. Federal Reserve 1979-89).

Baron Weidenfeld: (chairman Weidenfeld & Nicholson Ltd. 1948- ; governor Jerusalem Foundation).

Sir Henry Kissinger, KCMG: (U.S. secretary of state 1973-77; U.S. national security adviser 1969-75; President's Foreign Intelligence Advisory Board 1983-89).

Lord Peter Carrington: (director Kissinger Associates 1982-84; Secretary General NATO 1984-88).

William F. Buckley: (publisher *National Review;* Mont Pelerin Society).

Baron King of Wartnaby: (chairman British Airways PLC).

Henry Keswick: (chairman Matheson & Co. Ltd. 1975- ; chairman Jardine-Matheson Holdings (Hongkong) 1972-75; director Rothmans International 1988-94; London advisory committee, Hongkong and Shanghai Banking Corp.).

Baron Rawlinson of Ewell: (London advisory committee Hongkong and Shanghai Banking Corp.).

Sir Frank Rogers: (deputy chairman The Telegraph PLC 1986- ; director Reuters Founders Share Co. Ltd.).

Sir Evelyn de Rothschild: (chairman N.M. Rothschilds & Sons Ltd.; chairman 1972-89 *The Economist*).

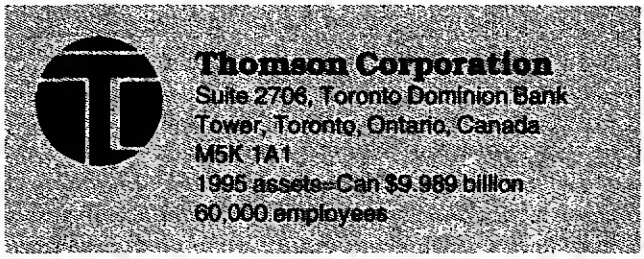
Baron Swaythling: (chairman Rothmans International PLC 1988- ; chairman Samuel Montagu & Co. Ltd. 1970-73; director J. Rothschild Holdings PLC 1983-89; Board of Banking Supervision, Bank of England 1990- ; director The Telegraph PLC 1985-).

Hollinger Corp. (renamed Hollinger Inc. last year), formerly Argus Corp., was founded during World War II as War Supplies, Ltd., a front for British Ministry of Munitions and Supplies, based in Canada, and was charged with procuring military equipment from the United States. Wartime profits were "privatized" under E.P. Taylor and George Black, and Argus became major owner of mining and manufacturing firms. Beginning in 1985, after founder George Black's son, Conrad Black took over and changed the company name to Hollinger, its portfolio shifted into media.

With British Rothschild financing, Hollinger bought 83% ownership of The Telegraph PLC. Soon after acquiring the *Telegraph,* Hollinger took over the *Spectator,* the 1828-founded British establishment journal.

Hollinger took 98.9% interest in the *Jerusalem Post* in early 1989, purging the *Post* editorial department in favor of "hawks" aligned with Ariel Sharon and Margaret Thatcher. Hollinger purchased the *Chicago Sun-Times* from Rupert Murdoch in early 1994. The buying spree continued with purchases of American Publishing Co. with the Canadian television Unimedia, Sterling Newspapers Ltd., *Saturday Night Magazine,* and the *Financial Post.* Hollinger went on to purchase 17% of the Australian John Fairfax Holdings, publishers of the country's largest daily, *The Age.*

The company now owns 80 daily and over 300 weekly newspapers in the United States, with a combined readership of 5 million. Money for the recent purchases reportedly came from Li Kai Shi, until recently a director of Hongkong and Shanghai Banking Corp.



Key personnel:

The Rt. Hon. Lord Kenneth Thomson: (director Hudson's Bay Company).

Richard Thomson: (chairman Toronto Dominion Bank 1978- ; director Eaton's of Canada; director Inco Ltd.).

John Tory: (deputy chairman Markborough Properties Inc.; director Royal Bank of Canada; director Hudson's Bay Company).

Charles Medland: (president Beanwood Investments Inc. 1989- ; director the Seagram Co. Ltd.).

John Fraser (chairman Federal Industries Ltd. 1992- ; director Bank of Montreal; director Coca-Cola Beverages Ltd.; director Ford Motor of Canada Ltd.; director Shell Canada Ltd.; president Empire Freightways Ltd. 1953-62).

Ron Barbaro (president Prudential of America Life Insurance Co. of Canada).

The Thomson communications empire began with the 1932 establishment of a rural radio station. Thomson moved into newspapers in Canada in the 1940s, and began taking over American publications in 1952. Thomson moved to Great Britain in 1953, buying Scottish newspapers and television concerns. It bought the London *Sunday Times* in 1959, along with 17 regional newspapers. In 1964, Prime Minister Harold Macmillan sponsored Thomson to the House of Lords, as Lord Thomson of Fleet. Thomson bought the London *Times* and *Times Literary Supplement* from the Astors in 1966.

Using profits from North Sea oil, International Thomson Organisation Ltd. was set up in 1978, moving its headquarters back to Toronto.

Thompson now owns *American Banker, Bond Buyer, Financial Times of Canada,* and *Securities Industry Daily.* The company is also America's largest legal research publishers, through their Lawyers Cooperative Publishing, and owns Janes Information Group, defense specialty publisher. Thomson's Institute for Science Information is the world's largest commercial provider of scientific data. Thomson became the second biggest college textbook publisher, with the 1986 purchase of South-Western.

News Corporation
2 Holt Street, Sydney, New South Wales,
Australia 2010
1993 assets=Aus $27.272 billion
27,250 employees

Key personnel:

Rupert Murdoch: owner; publisher, chairman The News Corp. Ltd. (Australia) 1991- (group CEO 1979- ; director News International PLC 1969- , chairman 1969-87; chairman News America Publishing Inc., director 1981-; chairman Times Newspaper Holdings Ltd. 1982-90, 1994- ; chairman and CEO Twentieth Century Fox, Fox Inc. 1992-).

Andrew S.B. Knight: chairman News International PLC 1990-94; chairman 1990-94 Times Newspaper Holdings Ltd. (editor 1974-86 *The Economist;* CEO Daily Telegraph PLC 1986-89, chief editor 1987-89; steering committee Bilderburg meetings 1980- ; governor Ditchley Foundation 1982-).

Lord Catto of Cairncatto: director Times Newspapers Holdings PLC 1981- ; president 1987- , chairman News International PLC 1969- (Morgan Grenfell Group PLC 1980-87; director Morgan Grenfell & Co. Ltd. 1957, CEO 1973-74, chairman 1974-79; director General Electric Co. PLC 1959-93; London advisory committee Hongkong and Shanghai Banking Corp. 1966-80).

Lord Harris of High Cross: director Times Newspaper Holdings PLC 1988- (founder Institute of Economic Affairs, president 1990, director 1957-87, chairman 1987-89; Mont Pelerin Society).

Sir F. Patrick Neill, QC: director Times Newspapers Holdings Ltd. (served Rifle Brigade 1944-47, Training General Staff Officer 1947, Egypt; Recorder of the Crown Court 1975-78; vice chancellor Oxford University 1985-89; chairman Press Council 1978-83; chairman Council for Securities Industry 1978-85, Department of Trade and Industry Committee of Inquiry into Regulatory Arrangements at Lloyds).

Lord Griffiths of Fforestfach: director Times Newspapers Holdings Ltd. (lecturer London School of Economics 1965-76; governor of the Bank of England 1983-85; head of Prime Minister's Policy Unit and special adviser to Margaret Thatcher 1985-90; international adviser Goldman Sachs 1990- ; director Thom-EMI 1990-91).

Lord Marlsford: director Times Newspapers Holdings Ltd. (Conservative Research Department 1963-70; special adviser to HM Government 1970-74; special adviser to Leader of the Opposition 1974-75; consultant *The Economist* 1974-91).

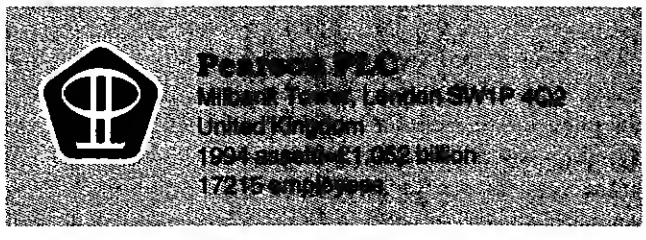
The News Corp. is the largest publisher of English-language newspapers in the world. Subsidiary HarperCollins Publishers is the world's largest publisher of English-language books. The company is owned by Rupert Murdoch, the son of Australian newspaper mogul Sir Keith Murdoch. Rupert Murdoch started in Australia, founding the first nationwide daily newspaper in mid-1960s. By 1968 Murdoch was in London, taking over *News of the World,* biggest tabloid newspaper in the world. Murdoch bought Britain's current largest selling daily tabloid the *Sun* in 1969. American acquisitions began in 1973 with formation of News America Publishing, Inc., purchasing the *San Antonio News* and *New York Post,* changing it into a tabloid. In 1977, the New York Magazine Company, publishers of *New York* magazine and the *Village Voice,* was acquired.

Murdoch's British arm, formed as News International, in 1981 purchased 42% of William Collins & Sons and bought the London *Times, Sunday Times,* and *Times Literary Supplement* from Thomson.

Buying into Twentieth Century Fox Film Corp. in 1983, Murdoch quickly ventured into satellite television, acquiring holdings in the British Satellite Television PLC and American Inter-American Satellite Television Network (renamed Sky Channel).

News International bought the *Today* newspaper from Lonrho in 1987, then bought Harper & Row and the *South China Morning Post,* Hongkong's most important English-language newspaper; then Triangle Publications, printers of *TV Guide* and the *Daily Racing Form.* Fox Broadcasting Co. was launched in 1988.

By 1990, Murdoch was $8 billion in debt to 146 banks.



Key personnel:

Viscount Blakenham: (Lazard Brothers 1961, partner 1984- , director 1975- ; director Sotheby's Holdings Inc. 1987- ; director U.K.-Japan 2000 Group 1990- ; House of Lords Select Committee on Science and Technology 1983-86; Nature Conservancy Council 1986-90).

Pehr Gyllenhammer: (see Reuters).

Frank Barlow, CBE: (director Elsevier, U.K. 1991-).

Michel David-Weill: (senior partner Lazard Frères, N.Y. 1977- ; deputy chairman Lazard Brothers & Co., London 1991- ; partner Lazard Frères et Cie., Paris 1965- ; Brown Brothers Harriman, 1954-55; Lehman Brothers 1955-56).

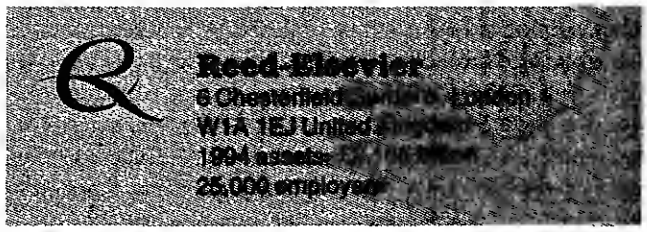
Sir Simon Hornby: (director W.H. Smith Group 1974-94; chairman 1982-94; director Lloyds Bank 1988- , Lloyds Abbey Life PLC 1991-).

Dennis Stevenson, CBE: (director J. Rothschild Assurance PLC 1991-).

Begun in the nineteenth century as an oil company, Pearson was a key World War I provider of fuel oil to the British government, via Viscount Cowdray's Anglo-Mexican Petroleum Company. In 1919, Whitehall Trust Ltd. was set up as a finance and issuing house, acquiring a substantial interest in London merchant bankers Lazard Brothers & Co.

Currently 20% of Pearsons is owned by Cowdray family members, with descendant Viscount Blakenham as its head. Rupert Murdoch is next leading shareholder.

Pearson owns the *Financial Times,* and holds half ownership of *The Economist.* Still carrying half-interest in Lazard's U.K. operations, Pearson also holds 9% ownership of Lazard Frères in New York and Paris. Capital Publications (U.S.) prints 41 business newsletters nationally, with their Federal Publications specializing in U.S. government procurement and immigration law. *Roll Call,* which covers Capitol Hill in Washington, is also run by Economist Group. The *Journal of Commerce* was purchased in 1995, which operates the Pier Import/Export Reporting Service, providing cargo data of all vessels calling at U.S. ports. *Financial Izvestia* was initiated for Russia in 1992. Penguin Books is owned by Pearsons. Major U.S. textbook suppliers Addison-Wesley Longman has since 1987 also been an asset. Broadcasters Pearson Television is wholly-owned, providing programming for BBC1 and BBC2, as well as cable and satellite channels.



Key personnel:

Anthony Greener: director Reed International 1990- ; CEO 1992- (director Guinness PLC 1986- ; former managing director Dunhill Holdings PLC; managing director United Distillers 1987-92; director Louis Vuitton Moët Hennessey 1989-).

Roelof Nelissen: director, supervisory board Elsevier 1990- (Netherlands Parliament States-General 1963-70, minister of economic affairs 1970-71, first deputy prime minister and minister of finance 1971-73; board managing directors Amsterdam-Rotterdam Bank N.V. 1974- , vice chair 1979-82, chairman 1983-92; chairman of the board of managing directors ABN-AMRO Holding N.V. 1990-92).

With the merging of British Reed International PLC and Dutch Elsevier NV a few years ago, Reed-Elsevier today dominates scientific publishing through ownership of some 1,100 academic journals printed worldwide.

Reed began as papers manufacturers for Lord Northcliffe of *Daily Mail.* Northcliffe's nephew Cecil King became Reed's chairman in the early 1950s, moving to build a broad-ranging publishing group. In the 1980s Reed moved into electronic information services, also becoming the world's largest organizer of exhibitions.

Elsevier has always been in scientific publishing, its success based on its steady expansion in the English language. Elsevier Information Systems Inc. in 1979 acquired the U.S.-based Congressional Information Systems. Greenwood Publishers, which publishes intelligence-related books, includes the Praeger imprint. In 1991 Elsevier purchased Pergamon Press from Robert Maxwell. Reed-Elsevier in 1994 bought Lexis-Nexis, the largest information retrieval data base service, and second largest legal publisher, via the Martindale-Hubble standard U.S. legal services directory.



LaRouche
Campaign
Is On the
Internet!

Lyndon LaRouche's Democratic presidential primary campaign has established a World Wide Web site on the Internet. The "home page" brings you recent policy statements by the candidate as well as a brief biographical resumé.

TO REACH the LaRouche page on the Internet:

http://www.clark.net/larouche/welcome.html

TO REACH the campaign by electronic mail:

larouche@clark.net

Paid for by Committee to Reverse the Accelerating Global Economic and Strategic Crisis: A LaRouche Exploratory Committee.

Chatham House issues the marching orders

by Allen Douglas

U.S. President Franklin Delano Roosevelt planned to eliminate the British Empire from world history, as the memoirs of his son and wartime aide, Elliott Roosevelt, document. But, upon his death in April 1945, FDR's plans were interred with him. The British instead pitted the former allies, the United States and Soviet Russia, against each other, as immortalized in Churchill's "Iron Curtain" speech of 1947, and so continued to flourish from 1945 until the disintegration of the Soviet Union during 1989-91.

As the Berlin Wall fell, the British saw, on the one side, a crumbling Soviet Union; on the other, a United States rotted out by 30 years of the rock-drug-sex counterculture and post-industrial decay. The time was ripe, they decided, to reestablish their empire; but this time, it would rule the *entire* world.

From the early 1990s through 1995, a series of studies and conferences on how to do this, were conducted under the auspices of the Royal Institute of International Affairs (RIIA) in London. The year 1995 alone saw the following: a one-day RIIA conference, "Britain in the World," attended by virtually the entire foreign policy elite of Britain; an RIIA report, "Discussion Paper 60: Economic Opportunities for Britain and the Commonwealth," by Australian academic Katharine West; and a soon-to-be-released study of the House of Commons' Foreign Relations Committee, whose chairman, David Howell, was a prominent conference participant.

To understand the RIIA's plan to use the Commonwealth as the vehicle to formally reestablish the Empire (the theme of West's report), one must look at the history of the RIIA itself. After all, this body, officially established during the Versailles peace negotiations which ended World War I, *created the Commonwealth* in the first place.

The RIIA grew out of the "Round Table" group established in the 1890s by South African gold and diamonds magnate Cecil John Rhodes. Rhodes preached, as stated in the first draft of his will, "the extension of British rule throughout the world," which would include all of Africa, all of Asia, and "the ultimate recovery of the United States of America as an integral part of the British Empire."

The ideology for the project was provided by Rhodes's teacher at Oxford in the 1870s, the homosexual art critic John Ruskin. Ruskin had spent most of the middle decades of the century in Venice, studying the art, culture, and methods by which that tiny city-state had dominated much of the world for over half a millennium. Ruskin called for the establishment of a world-ruling British empire on its model, and a return to the "pre-Raphaelite" (pre-Renaissance) pre-nation-state era—that is, to feudalism.

But the tubercular, bombastic Rhodes was merely a front man for much deeper power—that of the British Crown. One of the three founders of Rhodes's group, together with Rhodes and journalist W.T. Stead, was Reginald Balliol Brett (Lord Esher), the chief adviser to King Edward VII from 1901 until Edward's death in 1910. From 1905 until he died in 1930, Esher was the de facto chairman of the Committee of Imperial Defence, which had reorganized the forces of the Empire for World War I, and which shaped the contours of the postwar world.

The Commonwealth was the old Empire, in the altered form dictated by Britain's changed circumstances following World War I. Round Table theoretician and RIIA founder Lionel Curtis expressed that reality in his 1917 book *The Problem of the Commonwealth.* In it, he proposed "to transform the Empire of a State in which the main responsibilities and burden of its common affairs are sustained and controlled by the United Kingdom into a commonwealth of equal nations conducting its foreign policy and common affairs by some method of continuous consultation and concerted action."

The RIIA, established in 1920 and granted its royal charter in 1926, embodied the "method of continuous consultation and concerted action" that Curtis called for; it spun off progeny all over the world, such as the New York Council on Foreign Relations and related "institutes for international affairs." So, by 1989, when the Berlin Wall fell, this group moved to reestablish the empire in all its glory, the subject of the RIIA's "Discussion Paper 60," put out by West.

The West report

West wrote her paper while based at the University of London's Institute of Commonwealth Studies during 1994. That institute is a cornerstone of the RIIA; in recent years, it has sponsored an endless stream of studies, doctoral dissertations, and books which laud the "grandeur of Britain's colonial era," whether in the Raj, on the gold- and diamond-bearing reefs of Africa, or in the deserts of Arabia. These studies have in turn spawned popular movies on the colonial period—all propaganda for the return of the empire.

West's paper, however, is not a publicity piece, but rather, as she describes it, an insider's "policy- and action-oriented" manual, in which she establishes several themes:

1. Britain must not fixate on Europe, whether in the form of "Euro-skepticism" or "Euro-integration," but must extend the power of the City of London, whose enormous financial and corporate power she catalogues, worldwide.

2. The natural vehicle for this expansion is the Commonwealth, whose 52 countries—one-third of all those in the

world—should be used as a "foot in the door" to take over non-Commonwealth countries.

3. Most crucial in this process, is the power of "the people's Commonwealth," the enormous non-governmental organization (NGO) apparatus which girdles the globe, and which already dominates many nations.

4. The greatest source of remaining loot in the world is not in the financially exhausted Europe, but in the Asia-Pacific region, where Britain must concentrate its efforts.

5. The continent of Australia is a perfect case-study of the sort of "mutual exploitation" (as she disingenuously terms it) between Britain and the Commonwealth, and is the base from which the empire must launch its conquest of Asia.

To begin, West reviews the reach of the Commonwealth, that "cross-section of the international community, with its nearly 1.5 billion people inhabiting all the continents, living in one-third of the world's nations and constituting one-quarter of the human race." In particular, she says, look at the Commonwealth's "web of relationships with a wide range of multilateral organizations," such as the Organization for Economic Cooperation and Development (OECD), the Asia-Pacific Economic Cooperation (APEC) forum, the Association of Southeast Asian Nations (ASEAN), the Group of 15, the Group of 77, and so forth. It must coordinate its numerous members in these bodies, West stresses, in order to dominate them, and thus every part of the world (see box). In many ways, she says, the Commonwealth is already more powerful than the United Nations—another organization which its 52 members effectively control.

Crucial to the Commonwealth's power, is the vast NGO structure: "Those who have wrongly forecast the demise of the Commonwealth have been ignoring the breadth and depth of the 'people's' Commonwealth and of the links which bind it outside the deliberations of member governments and their officials. The 'unofficial' Commonwealth is widely known to contain an impressive and ever-enlarging pool of knowledge and expertise, whose extent and quality have implicitly been undervalued in the inappropriately hierarchical 'two-tier' concept." West here protests the idea that nation-states have a higher order of juridical and moral existence than NGOs.

What is most needed, she says, is a "strategy which would allocate responsibilities and resources between 'official' and 'unofficial' parts of the structure strictly on the basis of who would be best able to formulate and implement specific policies and programs. If the whole of the future Commonwealth would amount to very much more than the sum of its present two parts."

The 'informal financial empire'

But what is the strategy to which all must be subordinated? It is that which it has always been, for any empire—finance and trade. In this new "post-Cold War environment," in which "much more emphasis is now being placed on the economy than on security," she intones, all must be deployed, as in Venice, or in the British Empire in its hey-day, in their service. The drive for a reestablished British Empire stems from "the experience of empire and the dynamics of an *informal financial empire that maintained its vibrancy long after the formal empire went into decline*" (emphasis added).

The cornerstone of the British Empire, West says, was always free trade, and that must now be expanded: "For maximum freedom and flexibility, the ideal environment is one where the structures of international economic and financial relations have been established on a global free trade basis." With the disappearance of national boundaries through deregulation, privatization, the establishment of the World Trade Organization, the spread of NGOs, etc., there is nothing which can stop this empire, and all of its manifold assets must be deployed to serve this end.

One such asset is "human rights." "Since it was launched in 1987," she says, "the non-governmental Commonwealth Human Rights Initiative (CHRI) has always been most emphatic that *effective human rights performance is a major determinant of economic progress,* significant for individual Commonwealth member states and for commerce between them" (emphasis added).

And it was to facilitate looting, she makes clear, that the entire gamut of "good governance" prescriptions and enforcement mechanisms set up by the Commonwealth in its 1991 summit in Harare, Zimbabwe (which was presided over by the Queen), was established.

Any government which stands in the way, will be crushed. Such a recalcitrant government, she emphasizes in one of only three recommendations with which she concludes her report, is that of Nigeria. Here she steps out of the apparently benign, "Aesopian" posture of her report as a whole, to stick in the knife and twist it. Her "Recommendation 2" bemoans the "credibility gap" between what the Commonwealth says, and what it does. She is talking about Nigeria: "In the lead-up to the 1995 Commonwealth Heads of Government Meeting, the most highly publicized credibility gap has related to the lack of a decisive Commonwealth response to the arbitrary infringement of human and democratic rights in the West African military regime of Nigeria, which has unambiguously failed to govern within the norms of Commonwealth membership as set out in the Commonwealth Heads of Government Harare Declaration of 1991. At the 1995 summit meeting in Auckland, the Nigerian issue will provide a key test of whether the Commonwealth is that rare kind of international association: *one which really means what it says and is prepared to act on it*" (emphasis added).

She notes, with satisfaction, that the CHRI Advisory Commission recommended sanctions, in order to bring down the Nigerian government.

While West was writing, others were working. The RIIA had planned, in its March 1995 conference "Britain in the World," to showcase a new ruler of Nigeria, Gen. Olesegun Obasanjo, who was to take power as the result of a coup under

way in late 1994 and early 1995. In the event, scheduled speaker Obasanjo couldn't make it—he was arrested in Nigeria for his role in the plot.

Target: the Asia-Pacific region

Beyond Nigeria, where else should this vast apparatus, with its "now dominant economic focus," turn its energy? Continue to loot the Commonwealth, of course, West specifies, but turn toward the last major untapped economies worldwide—those of the Asia-Pacific region:

"This new distribution of global economic power involves an unambiguous and dramatic shift away from OECD countries toward Asia-Pacific growth economies, some of them part of the Commonwealth." "East beats West" was the conclusion of one "global strategy team," she says, so that by the year 2010, "five of the top ten economies . . . in the world will come from Asia compared to only two today." Already, she notes, Britain's trade and investment overseas are growing much faster in Southeast Asia and the Pacific Rim, such that Britain's trade outside the European Community is 50% greater than within it, and soaring annually, as in 1993-94, when the U.K.'s trade with Malaysia was up 35%, and that with China up 14%. In 1994, Britain's exports to ASEAN grew by 25%.

British-designed policies of deregulation and privatization have paved the way for this shift, such that "British portfolio and corporate direct investment has swung toward them away from the high-cost, highly regulated European economies," into looting developing economies. She compiles tables of British foreign investment by areas of the globe, noting that "Britain's external corporate direct investment is now growing faster than that of any other big industrialized country, making Britain the world's second largest overseas investor." In country after country, Britain's investment rivals, or supersedes, that of the United States, an astounding fact when one compares Britain's population of 60 million to the United States' 240 million.

More striking than the mere investment amount, again, is its rate of expansion. Britain's total invisible earnings, she documents, rose an astonishing 23% between 1992 and 1993.

Australia: the base from which to loot Asia

The RIIA perhaps chose West to write its "Discussion Paper 60" because she is an Australian; certainly, Australia in the last few years has been established as the base from which the Britisb will loot Asia, a model, West says, of how a Commonwealth country can be so used. Australia is now the Asia-Pacific base for 120 international corporations, many of them British or Anglo-Dutch. Sixty of these corporations were established in 1993-94 alone, and 24 of these 60 relocated from other parts of Asia.

West quotes a 1994 report by a Melbourne consulting group, to demonstrate the extent to which the Australian and British economies are intertwined: "Australia sends about 35% of its offshore direct investment to Britain, which is *eight* times more than could be expected from the size of the U.K. economy. The U.K. sends about 7% of its offshore direct investment to Australia, which . . . is *five* times more than could be expected from the size of the Australian economy. . . . Australia was the third largest direct investor in Britain at the end of 1993," "investments" which represent the activities of such Club of the Isles members as press magnates Rupert Murdoch and Kerry Packer (emphases in original).

Again, what is stunning is not merely the amount of investment, but the rate at which it is accelerating. From 1982 to 1992, British investment in Australia rose sixfold, while Australian direct investment in Britain rose tenfold. Over 1987-92, when Australian direct investment in the U.K. more than quadrupled, Australia sent 44% of its entire overseas direct investment to Britain. From 1991-92 to 1992-93, British investment in Australia more than doubled, and represented almost one-quarter of the total foreign direct investment in Australia. In 1993-94, the U.K. more than doubled its investment in Australia *again*, from $Aus 3.6 billion to $Aus 8.8 billion.

Given the British stakes in Australia, both in its own right, and as a base to loot Asia, it is not surprising that they

Commonwealth 'networking'

Katharine West emphasizes in her report, that virtually any organization in the world, such as those she lists here, could be dominated through concerted action by the members of the Commonwealth within it. Since there are 52 Commonwealth members around the globe, there is no organization they could not control.

UN Security Council; OECD; G-7; G-15; G-77; Asia-Pacific Economic Cooperation Group; Association of Southeast Asian Nations; South Asian Association for Regional Cooperation; South Pacific Forum; South Pacific Commission; North American Free Trade Agreement; Organization of American States; Caribbean Community; Organization of East Caribbean States; Organization of African Unity; Economic Community of West African States; Preferential Trade Area for Eastern and Southern African States; South African Development Coordination Conference; European Union; Council of Europe; OPEC; Non-Aligned Movement; Islamic Conference Organization; African, Caribbean and Pacific Countries parties to the Lomé Convention; NATO; Conference on Security and Coordination in Europe; South African Development Community.

launched, in late January of this year, a campaign to destroy Lyndon LaRouche's co-thinkers downunder, the Citizens Electoral Councils. British intelligence's Conrad Black, through his *Age* newspaper in Melbourne, launched the onslaught, which set the stage for anglophile assets in the federal parliament and local Anti-Defamation League of B'nai B'rith circles to call for an investigation of the CEC. The "charges" were so ill-defined and vague that, as of this writing, no such investigation has eventuated.

RIIA conference: 'Britain in the World'

by Allen Douglas

On March 29, 1995, one of the most extraordinary gatherings of the British elite in the postwar period convened at the Queen Elizabeth II Conference House for a conference entitled, "Britain in the World." The affair was co-sponsored by the Royal Institute of International Affairs (RIIA) and Her Majesty's government.

In his opening remarks, Prof. Sir Laurence Martin, the RIIA's director, noted the caliber of the 700 persons present at what he called this "genuinely unique conference." "I cannot think of another occasion," he burbled, "on which the foreign policy establishment of a country has put itself before such a group for interrogation. You could grab any 12 of the participants—I do not say 'audience'—and they would grace the platform of any important conference: The standard is extremely high."

Indeed, observed Sir Laurence, many of those present were far more important, as is the RIIA, than Her Majesty's government itself: "We see more clearly every day that the foreign relations of Great Britain are only partly, perhaps not even primarily, in the hands of HM government. Many of the people in the body of this hall have great influence over British foreign relations."

The conference was organized into four "break-out sessions": "Britain's Diplomatic and Security Role"; Britain's Place in the World Economy"; "Democracy and Development"; and "Projecting British Values, Education and Culture." The purpose of the sessions was to take stock of Britain's far-flung assets, and to coordinate their deployment in an attack on what remains of nation-states around the globe. The attack on the nation-state was emphasized, in a typically British understated way, by Sir Crispin Tickell, a former British ambassador to the UN and a scion of the Huxley clan, one of the most influential people in British culture for the past century and a half.

Sir Crispin exulted that "the power of the state is diminishing. . . . It is moving upwards to the big global organizations," on the one hand, and on the other, "You have a downward movement, which you can see all over the world toward local communities, states, minorities, pressure groups, and others." A third movement, he said, was "sideways"—the cross-border "information revolution."

The tenor of the affair was perhaps best conveyed by Dr. John Ashworth, one of the participants in session four: "I am afraid the British are getting more assertive because the 30- or 40-year political program which followed 1945, in which the British establishment, the political elite, set themselves the task of the orderly management of decline, *has ended. We have had enough of that.*"

The four sessions familiarized those present with the latest in the British Empire's armamentarium of irregular warfare, in three aspects: 1) finance/trade, 2) military, and 3) cultural. The British Empire, like its predecessor Venice, was urban-maritime in nature, based upon finance and trade. Finance and trade are the guts of the empire; military and cultural warfare aspects, the means to enforcing them.

London's unique position

One after the other, members of the elite outlined their part of the picture. One highlight was a sketch of the City of London, the "engine" of the whole business, by John Bond, Group Chief Executive of HSBC Holdings PLC. Bond stressed that, though "the City of London is but one square mile in the United Kingdom's 94,000 square miles, it has a unique position in the world's financial system." He gave a few indications of its power:

- "The City currently accounts for over a quarter of the world's foreign exchange turnover and it contributes an estimated £1.8 billion to the U.K. economy. The London Stock Exchange lists the shares of more foreign companies than any other bourse, processing around 60% of all shares trading outside their home country. It handles 90% of cross-exchange trading in Europe and one-tenth of the total world equity turnover.
- "London is . . . the world's largest issuer of Eurobonds.
- "The City is also home to LIFFE, the London International Financial Futures Exchange, which is the world's third-largest futures market.
- "Europe's top commodity futures exchanges are all here—the London Metal Exchange, the International Petroleum Exchange, and the London Commodity Exchange. They account for three-quarters of Europe's turnover in exchange-tied commodity derivatives and 15% of the world's turnover.
- "Historically, London has been a focal point for international marine, aviation, and commercial insurance and reinsurance. During the 1980s, 50-60% of world ship-broking commissions and about half of the world's sales and purchases of ships were generated here.
- "In fund management, London dominates the management of foreign institutional funds, most notably foreign government and pension funds. And London's share of assets managed in Europe for foreign institutional clients ex-

ceeds 81%.

• "With more than 500 foreign banks in the City, London is also one of the largest centers for international lending. U.K.-based banks accounted for nearly 16% of worldwide lending in 1993. . . .

• "Financial and business services account for around one-fifth of all London jobs—a higher share than Tokyo, New York, or Paris. If you include professional and other business services, more than 600,000 London jobs are now finance related—a figure that is greater than the entire population of Frankfurt."

The City, as those present well knew, uses Her Majesty's government as its advance scouts, a fact admitted by Prime Minister John Major in his opening address: "The Foreign Office now devotes more of its overseas resources to commercial work than to any other front-line activity, and rightly so."

After the fall of the Berlin Wall, the pace expanded rapidly, as summarized by Sir John Coles, Permanent Undersecretary of State for the Foreign and Commonwealth Office: "This year we are opening up 14 new posts, primarily for commercial reasons, and deploying well over 100 new commercial offices—mainly in Asia, some in Latin America, and the former Soviet Union." Sir Derek Hornby, chairman of the British Overseas Trade Board, noted that his organization deployed over 300 major trade missions a year, and, as he reviewed the map of the world, continent by continent, said, "I do not know any of those markets where we have not increased from something between 15 to 30% our efforts year on year over the last three years."

Privatization key to expansion

The key to this expansion, numerous speakers emphasized, was the privatization of formerly State-owned assets, a scam invented by an elite division of Her Majesty's intelligence services, the Mont Pelerin Society. Ian Taylor, Parliamentary Under-Secretary of State for Trade and Technology, said that privatization "has been a huge success with falling prices." Taylor was not so crass as to indicate how that works: assets worth $100 are picked up for $5, or less. The chairman of Standard Chartered (bank) PLC, Patrick Gillam, noted that he had just been giving a seminar in Indonesia on privatization, and told the audience that "it may not strike many of you here like this but the world outside this country regards privatization as one of the most remarkable things that Britain has given them probably in the last 50 years."

Perhaps nowhere did privatization have more of an impact than in the former Soviet Union and East bloc. Several speakers emphasized that the British had helped design and propagate the "Gorbachov reforms." As Prime Minister Major put it, "One revolution we did back—and before it became fashionable to do so—was Gorbachov's in Russia." And no matter what happened, Major intoned, "we are not going to change direction now."

Privatization is just one aspect of the doctrine upon which the original British Empire was built—free trade. Numerous speakers emphasized this, invariably stressing, as did Taylor, the importance of the World Trade Organization, which Taylor described as "crucial to us."

Military operations

Finance and trade are key, but frequently, as was the norm in the old British Empire, their advance had to be prepared with the mailed fist. Things have not changed much, Major made clear, in his survey of British troop deployments: "The U.K. now has troops deployed or stationed *in over 40 countries around the world, in a wider variety of roles than ever before*" (emphasis added). Rosemary Hollis, head of the Middle East Program of the RIIA and rapporteur for session one ("Britain's Diplomatic and Security Role"), summarized the private discussions during her panel: "In the afternoon we were given an account of Britain's military capabilities, which range . . . from nuclear deterrents to war fighting capabilities to a whole range of new or more recently carefully developed peacekeeping, peace-enforcement, advising, training, and support capabilities."

She concluded, "I take one message from the military: Britain is at the front in the task of developing peacekeeping and peace-enforcement doctrines and experiences in these fields. It is up front, with the players at the front." The United States, she noted, was nowhere near as advanced in these matters.

The content of these "peacekeeping and peace-enforcement doctrines" was personified at the conference by one of their inventors, Lt. Gen. Michael Rose. Rose's work, as the UN Protection Forces commander in Bosnia, rips the veil from Hollis's "peacenik" jargon: Rose had been caught redhanded, including by U.S. intelligence communications intercepts, in frustrating NATO air strikes against Serbians in the process of committing genocide, and in fomenting warfare between the Bosnians and the Croats.

Rose, after calling for the establishment of a United Nations intelligence agency, described how British power is being leveraged, through the spread of these "peacekeeping" doctrines into British assets in other countries: "All I would say in conclusion is that I think the wider forms of peacekeeping that we are embarked upon in the United Nations is something which has been thought about considerably—and I will now change my hat to my old hat as Commandant of the Staff College [Sandhurst, Britain's elite military school]—we thought about it enormously long and hard in the various Staff colleges around Europe and in America; we have run seminars for the last five years between the Frunze Academy, the Air Ecole de Guerre, Leavenworth, and Camberley, and there is a new form of doctrine developing and Britain has taken quite a lead in this field."

Part of this "new doctrine," involves the military working, as Rose stressed, with "aid organizations, both the UNACR and the non-governmental organizations." These, as docu-

mented elsewhere in this report, are leading the attack against nation-states. Prince Charles spoke in glowing terms, in his luncheon address, about how "Britain is indeed a remarkable country, not least for the way in which it has given birth to a host of non-governmental organizations."

Besides Bosnia, the other place where British peacekeeping has been most heavily applied, is in Africa. Baroness Chalker, Minister of State for Foreign and Commonwealth Affairs and Minister for Overseas Development, emphasized that, here, too, Britain led the way: "May I say also, as far as conflict prevention and resolution is concerned, it was Britain rather more than any other nation that took the battle to help African nations particularly come together and receive training for conflict prevention and resolution."

Baroness Chalker, as *EIR* has demonstrated, personally oversaw the application of these methods in Rwanda, resulting in the slaughter of millions.

Cultural warfare

The third arm of Britain's irregular warfare is cultural. Two of the chief vehicles for this, are the British Broadcasting Corp. (BBC) and the British Council. As Sir John Burgh, former director-general of the British Council, put it, "The British Council and the BBC World Service are an unbeatable combination." The BBC runs a wider array of programs around the world than any country or other service, and is for many countries the *sole* source of news. It is also notorious for its lying. The British Council, though little known, is, in the words of its chairman, Sir Martin Jacomb, Britain's "main agency for international cultural relations." So much so, that the Foreign and Commonwealth Office "sees it as an integral part of the U.K.'s overall diplomatic and overseas aid effort."

The Council operates 228 offices in 108 countries, teaching the English language and liberal philosophy. It "talent scouts" future British agents-of-influence, by arranging their education in the U.K., where 107,000 foreign students study every year. Its importance is hard to overstate. As Jacomb summarized it, "Wherever you go in any of those countries overseas, the British Council is a very well known thing, and is highly respected and much admired. Overwhelmingly, our ambassadors and their staffs find it a big help toward our political and commercial effort. I may say in parentheses that while most rich countries have cultural diplomatic agencies of one kind or another, some have deliberately copied the structure and mode of operation of the British Council."

But perhaps the Council's importance can be best understood by appreciating the importance of the man chosen to head it: Sir Martin Wakefield Jacomb. Jacomb is a director of the Bank of England; a longtime board member of Barclays Bank; the deputy chairman of the Rio Tinto Zinc corporation, the Queen's premier raw materials conglomerate; and a member of the board of The Telegraph PLC, the company which controls much of Britain's world media empire. He is, in short, one of the most important men in the British Empire.

IV. The Club of the Isles

Raw materials cartels lock up world economy

by Richard Freeman

The speculative jump of wheat and corn futures prices on the Chicago commodity exchanges this year, in parallel with a speculative run-up in the price of gasoline, demonstrates with what swiftness the British Empire's raw materials cartel can move. The cartel represents the interests of 3-5,000 superwealthy oligarchs, grouped around the British monarchy, and around an interlocking network of multinational raw material corporations. This is the Club of the Isles.

The London-centered cartel's organized price speculation is economic warfare with three interrelated purposes. First, to kick off a spiral of hyperinflation, triggering increased interest rates, a drastic reduction in production and consumption, especially hitting the U.S. economy. Second, to paralyze President Clinton in the face of financial disintegration, especially when Lyndon LaRouche's influence in the Democratic Party is growing. Third, to give the Club of the Isles the chance to loot the world economy to a greater extent than ever before. In real terms, this means a drastic increase in the death rate: mass murder on an unparalleled scale.

The Club-engineered commodity price increases are spectacular. On May 10, 1996, the price of a wheat futures contract for next-month delivery, trading on the Chicago commodity exchanges, reached $7.32 per bushel, an all-time record. On April 5, 1995, the price for a similar contract was $3.29. Most of the 122% increase has been registered since the start of 1996. The food cartel, led by Cargill, Continental, and Archer Daniels Midland, in cahoots with the International Monetary Fund, has intentionally collapsed world wheat production. World wheat stocks will close at the end of the 1996 harvest at only 94 million tons. At the current, already-reduced levels of world consumption, this is the lowest stock level in 50 years.

Meanwhile, on the Chicago Board of Trade, corn futures recently traded at $5.06 per bushel, more than double April 1995 levels. Soybean futures traded at a stratospheric $8.04 per bushel.

The motive behind the food cartel's attack on production levels is best seen in the shortage of corn, which is a prime animal feed stock. Gregg Hunt, commodity broker and analyst at Rand Financial Services, told a reporter on April 15:

"The only way to have a reasonable amount of corn left over, come Sept. 1, is to change the current price structure and force liquidation" of the cattle herds. Hunt and the oligarchic financiers he was speaking for, intend to spread the grain shortage into a beef and pork shortage, by forcing ranchers to slaughter their herds. It's a pincer attack. The grain cartels have driven up prices, while the allied beef cartel has drastically cut the prices it is paying to ranchers.

This food crisis is all too real, created by the food cartels and speculators over more than a decade of calculated warfare against farmers and ranchers worldwide. But in the case of oil, there is no shortage whatsoever.

The oil hoax

For months, London-controlled media have been spreading bogus stories, claiming that there is a "shortage" of gasoline, and blaming the shortage on the cold winter, which allegedly caused crude oil supplies, that would normally be refined into gasoline, to be refined instead into home heating oil; on the fact that Iraqi's oil did not come onto market; and on other, equally ludicrous factors.

In reality, the oil cartels, including the nominally "American" companies that almost always play by London rules, have manufactured the crisis whole cloth, by drawing down inventories and refusing to import oil. The leading energy companies in the Anglo-Dutch raw materials cartel are the Six Sisters: Royal Dutch Shell, British Petroleum, Exxon, Mobil, Texaco, and Chevron (Chevron and Gulf merged in 1984).

February was a cold month. However, *oil imports into the United States in February in physical-volume terms were slashed 10% from their January levels by the Six Sister-led oil refiners;* that is, 7.26 million barrels of oil per day (mbd) were imported in January, versus 6.55 mbd imported in February. Were there a real oil shortage, because crude had been diverted to produce home heating oil rather than gasoline, the appropriate response would hardly have been to slash imports.

Moreover, even if the United States needed to increase its refining levels, it couldn't now, because the Six Sisters, abetted by the World Wide Fund for Nature and other environmentalist gangs, downsized the industry: In 1981, average operable oil-refining capacity in the United States was 18.6 mbd; by 1994, it had been slashed to 15.2 mbd, a cut of nearly one-fifth.

Simultaneously, the Six Sisters and their allies speculated, principally on the New York Mercantile Exchange (NYMEX), the leading oil trading market. The price for benchmark West Texas Intermediate Crude was bid up in successive speculative waves. The spillover into higher motor gasoline prices was swift, and exceeded even the rate of increase for crude on the NYMEX.

In December 1995, the nationwide average prices for regular and premium gasoline were, respectively, $1.10 and $1.29 per gallon. By the end of April, the price of regular gasoline shot up to as high as $1.77 per gallon at some gas stations in New York City, while premium gasoline topped out at $2.23 per gallon at gas stations in Santa Barbara, California.

In 1973-75, a similar oil price hoax, organized out of London, brought a much stronger world economy to its knees. The higher prices go straight to the Six Sisters. Royal Dutch Shell Oil, for example, recently announced first-quarter profits of $2.33 billion, an annual profit rate of nearly $9.3 billion!

On April 30, the Clinton administration announced that it would sell 12 million barrels of oil from the Strategic Petroleum Reserve to ease prices, and that the Justice Department has appointed a five-man team to investigate potential price-rigging by the oil multinationals. Immediately, the price of oil futures contracts fell 10% on the NYMEX.

Rigging the markets

The rigging of grain and gasoline prices, which have been paralleled by sharp increases in the price of aluminum, copper, and other metals, is a sharp warning to the nations of the world, of what is in store if they don't crush the Windsor-led Club of the Isles.

Over the last 18-24 months, the members of the Club have stampeded out of bloated financial instruments—one step ahead of the looming crash—and further built up their control of raw materials.

The Club controls every commodity that is essential to supporting human life on this planet. Nothing significant can be produced, from consumer to producer goods, nothing can be eaten, without British Empire approval. Nor can the Third World sell its goods, for the most part, without releasing them into the markets controlled by this network. This represents perhaps the greatest concentration of oligarchic power ever.

Metals and minerals

The British Empire's control of metals and minerals is vast, ranging from 20 to 90%. In **Figures 1** through **6**, the percentage of control of world production of commodities is broken down into five basic groups of nations or firms: 1) London- and British Commonwealth-based nations and companies; 2) non-British industrialized nations, such as the United States; 3) the nations of the former Soviet Union; 4) Third World and other developing nations, including China; and 5) all other nations for which individual figures are not available.

We look at the Anglo-Dutch cartel's control of three basic types of commodity: 1) metals and minerals (see **Table 1**), which is further broken down into precious, base, and strategic metals; 2) energy supplies, covering oil, gas, and coal; and 3) food.

Start with the precious metals group: gold, silver, and platinum (**Figure 1**). They are called precious metals because, even though silver is used in film processing and platinum in

FIGURE 1
Control of gold, silver, and platinum markets
(percent of total market)

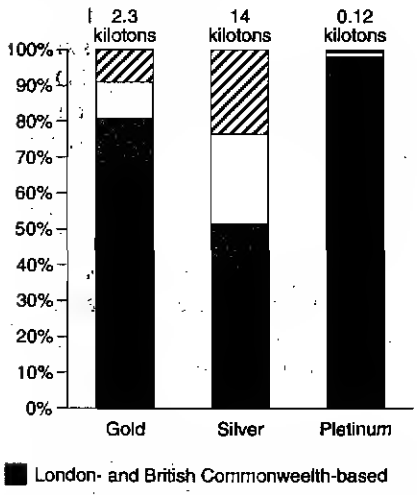


FIGURE 2
Control of nickel, copper, zinc, and lead markets
(percent of total market)

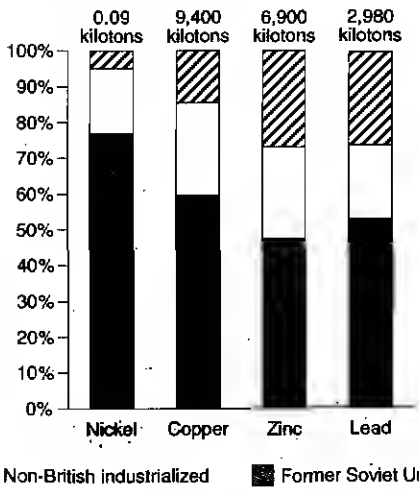
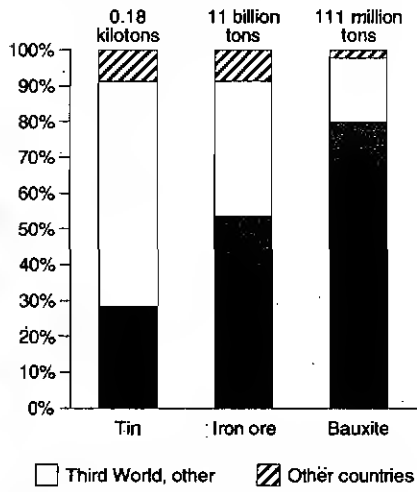


FIGURE 3
Control of tin, iron ore, and bauxite markets
(percent of total market)





Sources: *Who Owns Who in Mining*, 1994 and 1994 editions, London: Roskill Information Ltd.; *Mineral Commodity Summaries*, 1995, Bureau of Mines of the U.S. Department of Interior.

TABLE 1
Anglo-American and Rio Tinto Zinc combined share of Western world mining production
(percent of total)

Commodity	Share	Commodity	Shere
Antimony	20%	Nickel	8%
Bauxite	10	Niobium	8
Chromite	15	Palladium	39
Cobalt	10	Platinum	45
Copper	12	Rhodium	41
Diamond	48	Silver	6
Gold	25	Titanium	31
Iron ore	10	Tungsten	18
Lead	7	Uranium	8
Lithium	5	Vanadium	36
Manganese	6	Zinc	6
Molybdenum	11	Zirconium	23

Source: *Mineral Commodity Summaries*, 1995, Bureau of Mines of the U.S. Department of Interior.

Anglo-American and Rio Tinto Zinc figure prominently in the British Empire's raw materials cartel. Between them, these two companies alone produce one-eighth of the Western world's mining output (this excludes countries from the former Soviet Union, principally Russia). For 16 of the 24 crucial minerals and metals listed above, the combined output of Anglo-American and Rio Tinto Zinc accounts for 10% or more of Western world output, and in the case of seven of the materials, this combine produces one-quarter or more of Western world output.

catalytic converters, all three are often hoarded for their non-industrial value in the form of bullion, and sometimes in the form of jewelry.

In the case of gold, London- and British Commonwealth-based firms and nations control 59.5% of world production. The top three gold-mining companies of the world—Anglo American Corp. and Consolidated Goldfields, both of South Africa, and Barrick Gold of Canada, all British-controlled—control 20% of gold production. Total annual gold production is 2.3 kilotons (2,300 tons). By the time it reaches the market, it is worth $29.4 billion. The British have 60% of the take.

The London- and British Commonwealth-based group controls 29% of silver production, and 78% of world platinum production.

Next, look at the Anglo-Dutch cartel's control of base metals: copper, zinc, lead, nickel, alumina-bauxite, iron ore, and tin. These metals are not glamorous, but without them it is impossible to conceive of a modern economy. If one excludes crushed stone, and wood- and carbon-based materials, 70% of the weight of every manufactured good in the world is made up of just these seven metals. They are the mainstay of the finished goods that make up economic life, ranging from machine tools and tractors, to electric generators and refrigerators.

Figure 2 shows that the London- and British Commonwealth-based group controls 40% of the world's annual nickel production, which is 90 metric tons. Three of the four biggest nickel miners are British controlled: Inco Ltd. of Canada, which is allied to the Anti-Defamation League's Bronfman family; the ubiquitous Anglo American Corp.;

FIGURE 4
Control of cobalt, manganese, and titanium markets
(percent of total market)

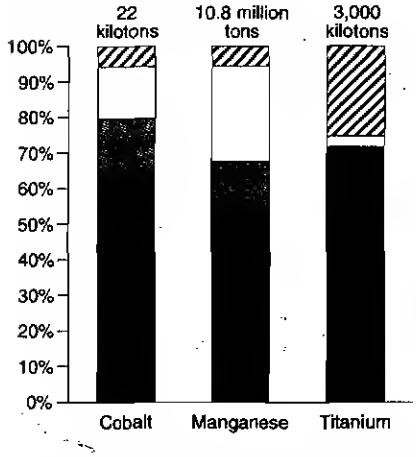


FIGURE 5
Control of vanadium and chromium markets
(percent of total market)

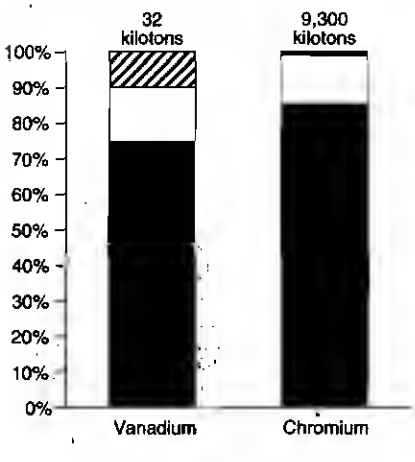
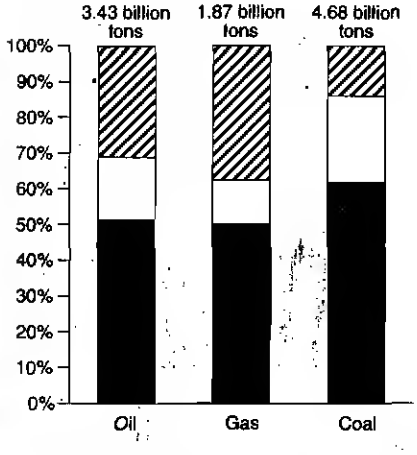


FIGURE 6
Control of oil, gaa, and coal distribution
(percent of total market)





Sources: *Figures 4 and 5: Who Owns Who in Mining*, 1994 and 1994 editions, London: Roskill Information Ltd.; *Mineral Commodity Summaries*, 1995, Bureau of Mines of the U.S. Department of Interior. *Figure 6: Ranking the World's Top Oil Companies*, 1996 edition, published by Booz Allen Hamilton and *Petroleum Weekly*; National Mining Association; *Mineral Commodity Summaries*, 1996, Bureau of Mines of the U.S. Department of Interior.

and Western Mining Corp. of Australia. Canadian, Australian, and South African mining companies are used as forward bases for the British to control a good part of world mining production. Britain also exploits the gigantic mineral and metal reserve deposits in these three Commonwealth countries. Outside of coal, Britain has no significant mining capability of its own.

The British control 25% of the world's annual copper mining of 9.4 million metric tons, and 17% of zinc mining (17% is the lowest percentage that British control of the metals ever reaches). The Anglo-Dutch cartel controls 30% of the world's annual lead output of 2,980 kilotons.

Figure 3 shows that the British control 58% of alumina-bauxite mine production, from which aluminum is made. The British control 21% of iron ore mining, and 24% of tin mining.

Next, look at strategic metals (**Figure 4**), so-called because they are often used in defense and high-technology goods. For the most part, they form crucial alloys, and are useful for their light weight, high tensile strength, or heat resistance. Without them the modern electronics, aerospace, nuclear, and high-speed rail industries, to name a few, cannot function. For example, 40% of cobalt's use is in aircraft gas turbine engines, and 10% is in magnetic alloys.

The Anglo-Dutch cartel monopolizes 64% of cobalt mine output, 42% of manganese output, and 47% of titanium output. The British control 32% and 39% of the output of vanadium and chromium, respectively (**Figure 5**). In the case of these two metals (as with many other metals and minerals), the Russians also have a high degree of control. This is one of the reasons that the British are so keen to steal Russia blind, using the argument that the Russians should privatize their state-owned companies.

Oil and energy

Of the energy resources which power the economy (**Figure 6**), the British control 15% of coal production and 12% of oil distribution, according to the criteria employed in this study. This is considerable in itself, but the degree of control is actually much higher. The major oil producers in the world are state-run oil companies of countries such as Saudi Arabia, Iran, Mexico, and Nigeria. But they must export their oil through Britisb-linked companies, which dominate the market, in which 71.4 million barrels of oil are sold each day. Heading the list, with 5.7 million barrels marketed per day, is Royal Dutch Shell. Most of the oil Royal Dutch Shell sells, it does not produce. The number-four marketer is British Petroleum Corp. Our study classified the oil output of Exxon, Chevron, Mobil, and Texaco, which are the U.S. components of the Six Sisters, as Non-British Industrialized. But as the 1973-74, 1978-79, and current oil hoaxes have shown, the actions of Exxon et al. are, on many points, very British. If the four U.S. sisters are considered with the British, then the British control 41% of world petroleum distribution.

Figure 7 shows the cartel's control apparatus. At the top is the House of Windsor and the Club of the Isles, representing

FIGURE 1
Control of gold, silver, and platinum markets
(percent of total market)

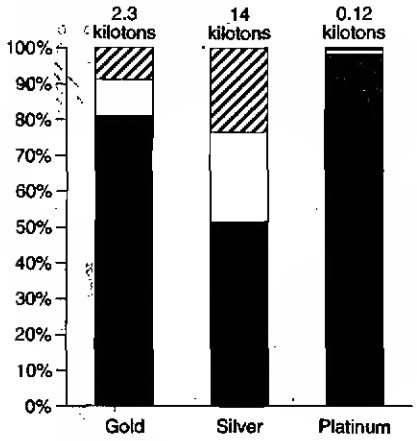


FIGURE 2
Control of nickel, copper, zinc, and lead markets
(percent of total market)

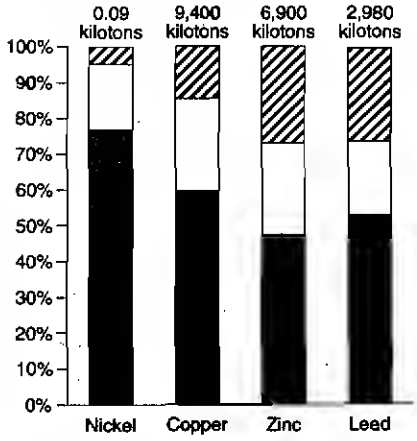
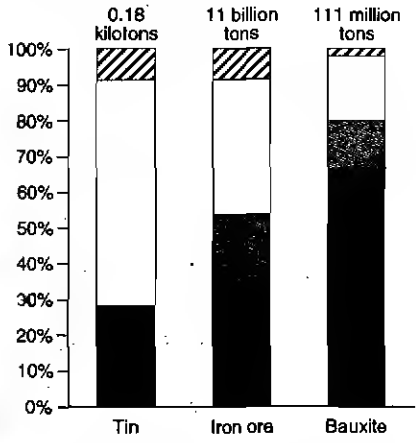


FIGURE 3
Control of tin, iron ore, and bauxite markets
(percent of total market)





Sources: *Who Owns Who in Mining*, 1994 and 1994 editions, London: Roskill Information Ltd.; *Mineral Commodity Summaries*, 1995, Bureau of Mines of the U.S. Department of Interior.

the collective oligarchies of Britain and, principally, continental Europe, with a select few eager, but junior, American partners. Right below are two of the principal appurtenances of the House of Windsor: the World Wide Fund for Nature, headed by Prince Philip, which leads the world in fostering ethnic conflict and terrorism, such as the WWF-supervised destruction of the nation of Rwanda, and British intelligence's Hollinger Corp. of Conrad Black, which is leading the assault to destroy William Clinton and the U.S. Presidency.

The food weapon

The employment of food as a weapon is as old as Babylon. Imperial Rome used this tactic, as did Venice and various Venetian offshoots, especially the Dutch and British Levant, East India, and West India companies. Today, food warfare is run by London, with the help of subordinate partners in especially Switzerland and Amsterdam. Ten to twelve companies, assisted by another three dozen, control the world's food supply.

The leading grain companies in the Windsor-led food cartel—Cargill, Continental, Louis Dreyfus, Bunge and Born, André, and Archer Daniels Midland-Töpfer—has domination over world cereals and grains supplies, from wheat to corn and oats, from barley to sorghum and rye. But it also controls meat, dairy, edible oils and fats, fruits and vegetables, sugar, and all forms of spices.

The oligarchy has developed four regions to be the principal exporters of almost every type of food, and historically has acquired top-down control over the food chain in these regions. These four regions are: 1) the United States; 2) the European Union, particularly France and Germany; 3) the British Commonwealth nations of Australia, Canada, South Africa, and New Zealand; and 4) Argentina and Brazil in Ibero-America. These regions have a population of, at most, 900 million people, or 15% of the world's population. The rest of the world, with 85% of the population (4.7 billion people), is dependent on the food exports of those regions.

It is proper for countries with food surpluses to export them. But the cartel's four exporting regions were given preeminence in a brutal manner: Much of the rest of the world was thrust into enforced backwardness. The oligarchy denied the importing nations seed, fertilizer, water management, electricity, rail transportation—all the infrastructure and capital goods inputs needed to turn them into self-sufficient food producers. These nations were reduced to the status of vassals: They must either import from the cartel's export regions, or starve.

Meanwhile, the Anglo-Dutch-Swiss food cartel reduced the four export regions to a state of servitude as well. During the last two decades, millions of farmers in the United States, Europe, Canada, Australia, and Argentina have been wiped out. In 1982, for example, the United States still had 600,000 independent hog farmers. Today, there are less than 225,000. The food cartel companies have cartelized hog production into their hands. During the past two decades, farmers were paid far below the parity price (that covers costs of agricultural production plus a fair profit for investment in future production).

FIGURE 8
Control of international wheat exports
(percent of total)

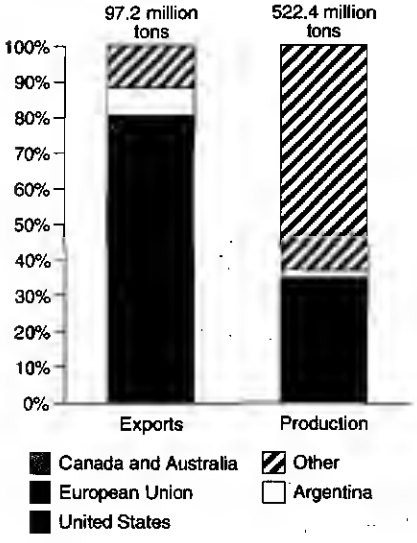


FIGURE 9
Control of international coarse grain exports
(percent of total)

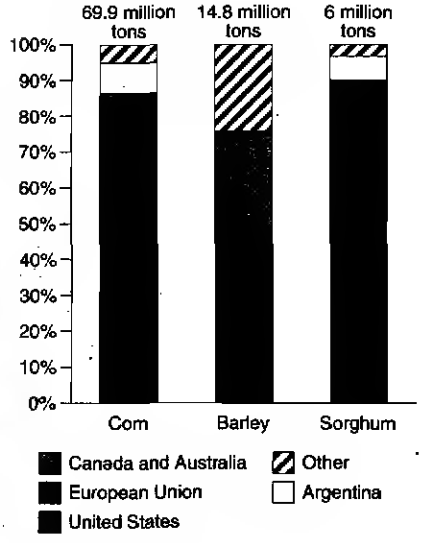
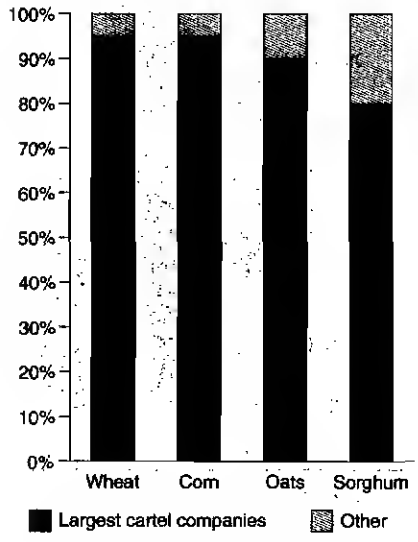


FIGURE 10
Control of U.S. grain exports by largest cartel companies
(percent of total U.S. grain exports)



Sources: *Figures 8 and 9:* U.S. Department of Agriculture, Economic Research Service, Trade Analysis Branch, 1994/5 crop production figures. *Figure 10: EIR* interviews; *The Grain Traders.*

Five of the six leading grain cartel companies—Minneapolis- and Geneva-based Cargill; New York-based Continental; Paris-based Louis Dreyfus; São Paulo, Brazil- and Netherlands, Antilles-based Bunge and Born; and the Lausanne, Switzerland-based André—are privately owned and run by billionaire families. They issue no public stock and no annual report. They are more secretive than any oil company, bank, or government intelligence service. Just two of these companies, Cargill and Continental, run 45-50% of the world's grain trade. While the Illinois- and Hamburg-based Archer Daniel Midland-Töpfer is publicly traded, it, too, is run top-down as the fiefdom of Dwayne Andreas.

The four dominant food groups

Grains and grain products, milk and dairy products, edible oils and fats, and meat provide the majority of the human species' intake of calories, proteins, and vitamins. Grain and grain products can be consumed as animal feed (especially corn and oats), and as human food, sometimes directly in the grain form, in the case of rice or barley, but often in a milled form, such as bread or tortillas. We look at the food cartel's control over each of the four dominant food groups.

Grains: Grains, or cereals as they are often called, consist of wheat; the coarse grains—corn, barley, oats, sorghum, and rye; and rice.

The most abundantly used grain is wheat. **Figure 8** shows food cartel control over wheat exports. For the 1994-95 crop year, the cartel's four food-export regions were the origin of 88% of the world's wheat exports of 97.2 million metric tons. But, they accounted for only 39% of all the world's wheat production of 522.4 million metric tons. That is, their share of world wheat exports was more than double their share of world wheat output. The cartel built up the four regions as the choke points over the world's food supply, even though these regions, collectively, are often not the largest producers.

Figure 9 shows, for the 1994-95 crop year, that the cartel's four food-export regions control 95% of annual world corn exports, of 69.9 million metric tons; 76% of the world's barley exports, of 14.8 million metric tons; and 97% of total world sorgbum (milo) exports, of 6 million metric tons.

Thus, the evidence shows that the four identified export regions exercise 76-97% domination over the export of the world's leading grains.

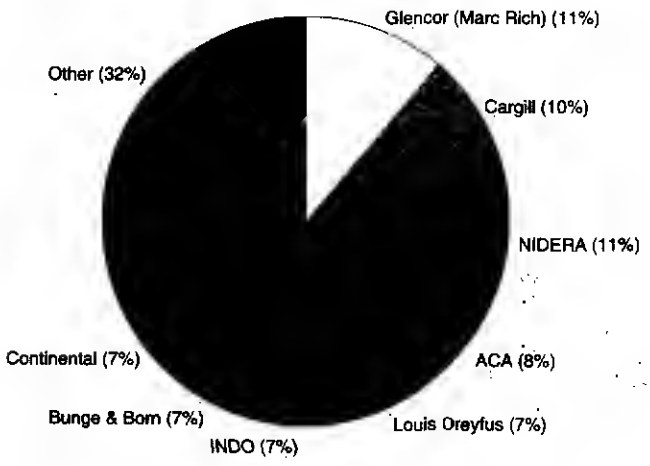
Grain cartels' extended control

But do the Big Six grain cartel companies run the affairs of these regions? The answer is a resounding yes. Let us start with the United States. The importance of U.S. agriculture is that in the 1994-95 crop year, the United States exported 102 of the world's 215 million metric tons of grain exports, nearly half the total. It accounted for 33% of world wheat exports, 83% of world corn exports, and 89% of world sorghum exports, making it the leading exporter in each of these three markets.

FIGURE 11

Nine members of the grain cartel control two-thirds of Argentina's grain exports

(percent of total Argentina grain exports)



Source: *Ambito Financiero* (Argentina), Sept. 28, 1993.

Figure 10 shows that the cartel's Big Six grain-trading companies own and control 95% of America's wheat exports, 95% of its corn exports, 90% of its oats exports, and 80% of its sorghum exports. A few smaller companies, almost all in the grain cartel's orbit, control the remaining market share. The grain companies' control over the U.S. grain market is absolute.

The Big Six grain companies, led by Louis Dreyfus, Continental, and Cargill, control 60-70% of France's grain exports. France is the biggest grain exporter in Europe (the world's second largest grain-exporting region), exporting more grain than the next three European grain-exporting nations combined.

A similar degree of control is exercised over the grain markets of the British Commonwealth countries, Canada and Australia, and of Argentina. **Figure 11** shows that the Big Six and some Argentine companies affiliated with them, such as Nidera and ACA, control 67.8% of Argentina's grain exports. Argentina is the fourth largest grain exporter in the world.

In sum, the Anglo-Dutch-Swiss food cartel dominates 80-90% of the world grain trade. In fact, the control is far greater than the sum of its parts: The Big Six grain companies are organized as a cartel; they move grain back and forth from any one of the major, or minor, exporting nations. Cargill, Continental, Louis Dreyfus, et al. own world shipping fleets, and have long-established sales relationships, financial markets, and commodity trading exchanges (such as the London-based Baltic Mercantile and Shipping Exchange) on which grain is traded, which completes their domination. No other forces in the world, including governments, are as well organized as the cartel, and therefore, London's power in this area remains unchallenged.

Milk and milk products: The big exporters of milk and milk products are three out of the cartel's four basic export regions: the United States, the European Union plus Switzerland (which is not an EU member), and the British Commonwealth countries of New Zealand, in particular, and Australia.

Figure 12 shows the cartel's domination of dairy and dairy products in 1994. The cartel's basic food export regions controlled 89% of the world's export of whole milk powder of 1.08 billion metric tons; 94% of the world's export trade of 653 million metric tons of butter; and 86% of the world's export trade of 1.11 billion metric tons of cheese. It also controlled a huge portion of the export of condensed milk. These figures were supplied by the *Commodity Review and Outlook, 1994-95* of the UN Food and Agricultural Organization.

The case of whole milk powder exemplifies the cartel's domination. Milk is not usually exported in liquid form, except over short distances; it is usually exported in the form of powdered milk, either as whole or skim milk powder, or as condensed milk. When it is exported as whole milk powder, it is reconstituted upon delivery, usually at the ratio of 10 parts water to 1 part whole milk powder. Of the world's export of 1.08 billion metric tons of whole milk powder in 1994, the developing world imported 885 million metric tons, or 82% of the total. Thus, the developing world is the primary recipient of this critical form of milk.

Nestlé Corporation, S.A., based in Vevey and Cham, Switzerland, near Geneva, and Borden, Inc., based in Columbus, Ohio, are the two largest exporters of whole milk powder in the world. Founded in 1867, Nestlé grew significantly in 1905, when it merged with the Anglo-Swiss Condensed Milk Company, also of Switzerland. Nestlé S.A. illustrates the food cartel's global reach: It is the number-one world trader in whole milk powder and condensed milk; the number-one seller of chocolate, confectionery products, and mineral water (it owns Perrier); and the number-three U.S. coffee firm.

Nestlé's connection to oligarchical finance includes its chairman, Helmut Maucher, who is on the board of J.P. Morgan, British intelligence's leading bank in the United States. Its board of directors serves as a retirement home for the world's central bankers: Fritz Leutwiller, former chairman of the Bank for International Settlements, the central bank of central banks, is on the Nestlé board, as is Paul Volcker, who, as chairman of the U.S. Federal Reserve Board, in 1979 and the early 1980s, put the world economy through "controlled disintegration."

Meat: The cartel's four major export source regions exert enormous dominance over meat exports: the United States; the European Union; the British Commonwealth countries of New Zealand, Australia, and Canada; and Argentina and Brazil in Ibero-America. An Asian bloc of China, Taiwan, and Hongkong (the last nation a re-exporter) is also important in the area of pork and poultry exports.

Figure 13 shows that for 1994, the cartel's basic food

FIGURE 12

Control of international milk and milk products

(percent of total)

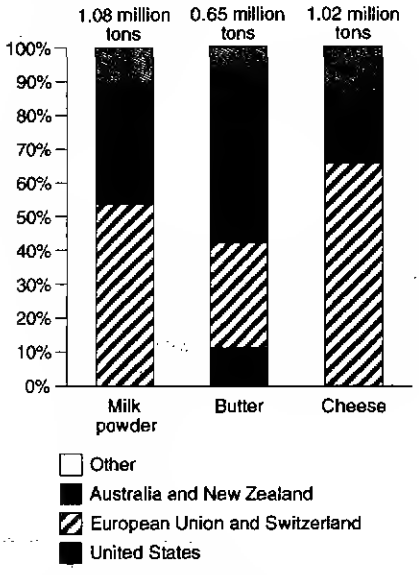


FIGURE 13

Control of international meat exports

(percent of total)

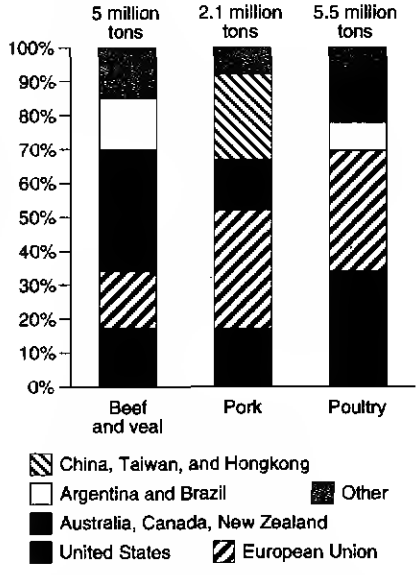
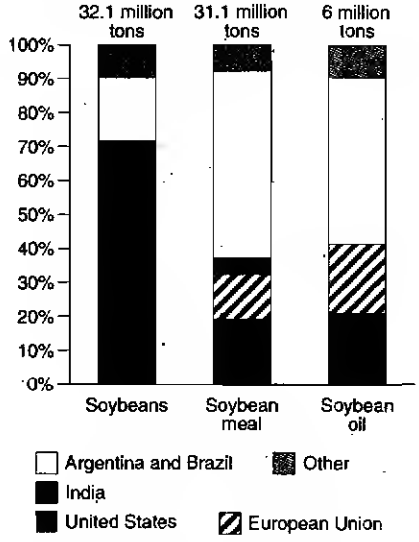


FIGURE 14

Control of international soybean and soybean product exports

(percent of total U.S. grain exports)



Sources: *Figure 12:* Food and Agricultural Organization of the United Nations, "Commodity Review and Outlook, 1994-95," 1994 production figures. *Figure 13:* U.S. Department of Agriculture, Economic Research Service, Commercial Agricultural Division, 1995 production figures. *Figure 14:* U.S. Department of Agriculture, Economic Research Service, Trade Analysis Branch, 1994/5 crop production figures.

export regions commanded 85% of the world's export of beef and veal of 4.95 million metric tons; when the Chinese bloc market is added in, these regions commanded 92% of the world's export trade of 2.1 million tons of pork; and 93% of the world's export trade of 4.84 million metric tons of poultry. The export of pork and poultry in China and Taiwan is increasingly run by the food cartel.

Four of the food cartel's biggest companies in beef export are Cargill, ADM, ConAgra/Peavey, and Iowa Beef Processors, now called IBP. The Dakota City, Nebraska-based IBP exemplifies how the oligarchy employs its corporate offshoots. Once owned by Armand Hammer's Occidental Petroleum Co., today, 13% of the stock of IBP is owned by a division of the Boston Brahmin drug syndicate's Fidelity Mutual Funds.

Edible oils and fats: The United States, the European Union, and Argentina and Brazil thoroughly dominate the export market in the most basic source of edible oils and fats: the soybean and its by-products. The food cartel export source sectors are the masters of 93% of the international trade in soybeans of 32.1 million metric tons per year; 90% of the international trade in soybean meal, of 31.1 million metric tons; and, along with British Commonwealth member India, are masters of 92% of the 31.1 million metric tons of soybean oil exports (**Figure 14**).

According to U.S. Department of Agriculture spokesmen, as well as private industry, the same six companies that dominate the international grain trade also dominate international trade in the soybean and its by-products. The one additional cartel company member which is influential in the soybean trade, which is smaller than the leading six companies, is S.I. Joseph Co. of Minneapolis, Minnesota. Burton Joseph, its chairman, is a leading member and former national chairman of the Anti-Defamation League of B'nai B'rith. He is a longtime enemy of Lyndon LaRouche.

Feed and seed: The cartel also controls feed for animals and seed for planting. British Petroleum Co., through its Nutrition division, is the largest feed producer in Europe. One of the House of Windsor's key energy companies, having bought Purina Mills from Ralston Purina Company, British Petroleum is now the second largest feed producer in America. Cargill, the world's largest grain exporter, is also the biggest producer of animal feed and hybrid seed in the world, through its Nutrena Feed division, while Continental Grain, through its Wayne Feed division, is one of the biggest producers of feed and a major force in hybrid seed production.

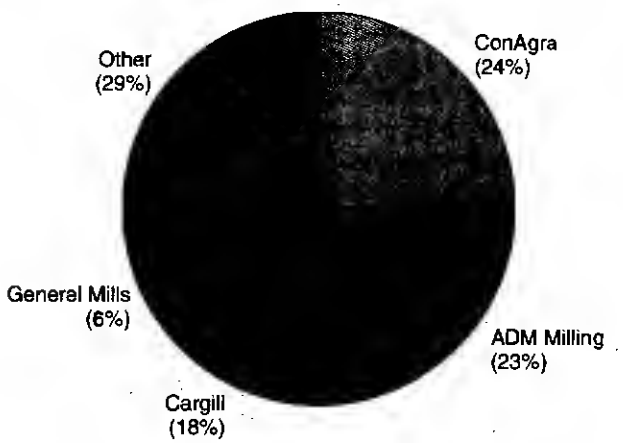
Domestic markets

The cartel also exercises an iron hand over the domestic agricultural economies of nations and regions, especially those that comprise the four export source regions, through

FIGURE 15

Four members of the grain cartel control 71% of America's flour milling

(percent of total U.S. flour milling capacity)



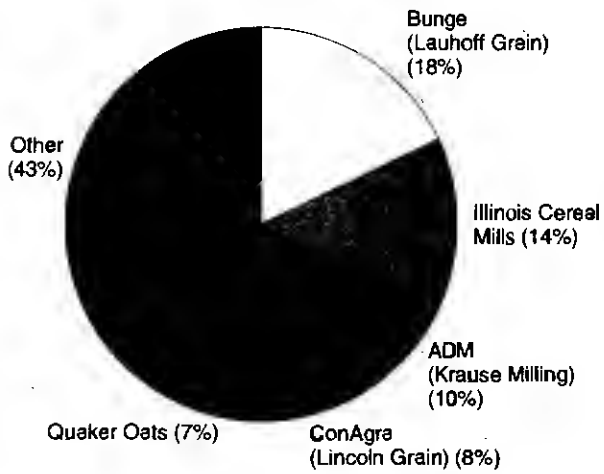
Daily milling capacity = 1,259,296 hundredweight of wheat

Sources: *1994 Grain and Milling Annual*; *Milling and Baking News* magazine; research of William Heffernan and Douglas Constance, Department of Rural Sociology, University of Missouri.

FIGURE 16

Five members of the grain cartel control almost 60% of America's dry corn milling

(percent of total U.S. dry corn milling capacity)



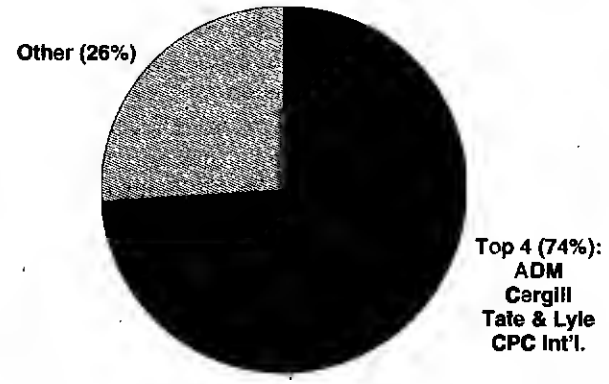
Daily grind = 670,000 bushels of corn

Sources: *Corn: Chemistry and Technology*; research of Heffernan and Constance.

FIGURE 17

Four grain cartel members dominate 74% of U.S. wet corn milling

(percent of total U.S. wet corn milling capacity)

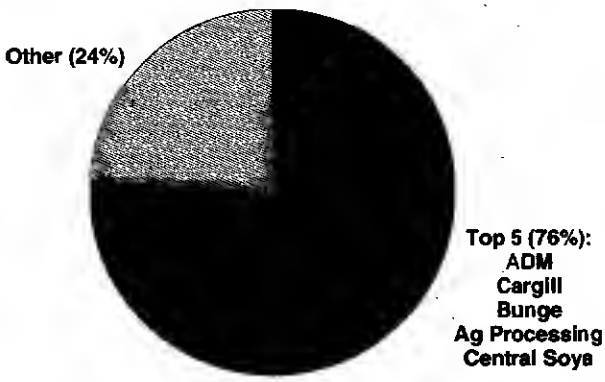


Sources: *Milling and Baking News*; *Milling Directory, 1990*; research of Heffernan and Constance.

FIGURE 18

Five grain cartel members control 76% of U.S. soybean crushing

(percent of total U.S. soybean crushing capacity)



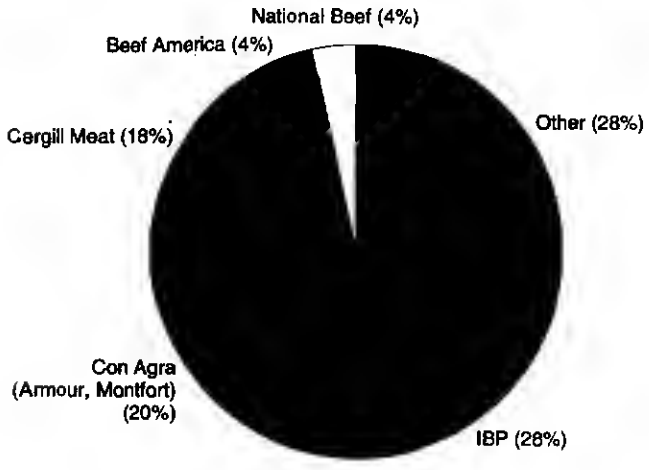
Sources: *Feedstuffs* magazine; Bruce W. Marion and Donghwan Kim, "Concentration Change in the Selected Food Manufacturing Industries: The Influence of Mergers versus Internal Growth," Food System Organization, Performance and Public Policies, Working Paper No. 95, October 1990, Madison, Wisconsin: University of Wisconsin, Department of Agricultural Economics, Food System Research Group.

the processing industries. If one controls the processing industries, one controls the domestic trade: Except when it is used for animal feed, corn, wheat, or soybean cannot be eaten in its unrefined stage (except for sweet corn, which is a minuscule percentage of the annual corn harvest). The grain or soybean (which is a legume) must be processed. The same is true for meat: It must be slaughtered and cut before it is fit for human consumption or any further step in the food chain. This is where the processing-milling industry, in the case of grains and soybean, and the packing-slaughtering industries, in the case of meat, come in.

FIGURE 19

Three food cartel members control 64% of U.S. beef packing

(percent of total U.S. beef backing capecity)



Daily capacity = 138,000 head of cattle

Sources: *Meat and Poultry* magazine; research of Heffaman and Constance.

Using the Unites States to make the case for all food-export as well as food-import nations around the world, one can see the cartel's domination. For example, **Figures 15-18** demonstrate that the main grain companies of the oligarchy's food cartel control 71% of the milling of America's flour; 60% of the dry milling of America's corn; 75% of the wet milling of America's corn; and three-quarters of the crushing of America's soybeans.

(In the dry milling of corn, the corn is turned into corn meal, muffins, corn flakes, etc. In the wet milling of corn, the corn is turned into sweetener, starch, alcohol, ethanol, etc. Of America's corn crop of 7.4 billion bushels, 5.6 billion bushels will be consumed as animal feed, 1.5 billion bushels will be wet milled, and 0.3 billion bushels will be dry milled.)

Figures 19-21 confirm that the largest meat companies in the food cartel (IBP, ConAgra, Cargill) control 72% of America's slaughtering-packing of beef, 45% of pork, and 70% of sheep. The meat-packing industry demonstrates the accelerated rate at which the cartel is building its concentration. In 1979, the top four packers controlled 41% of the industry. Today's level of control is 72%.

Finally, as **Figure 22** shows, four of the six leading grain cartel companies own one-quarter of America's grain elevator storage capacity. However, many of the grain elevators in America are in local areas where there is a substantial degree of co-op or individual ownership. When one gets to regional grain elevators, the grain cartel's ownership percentage is higher. At ports, which is where grain is transshipped, the four grain cartel companies own 59% of all U.S. grain elevator facilities.

If a farmer wants to sell his grain, he sells it either to a grain elevator, or, in the rarer case where he can afford to transport it, to a grain miller. In either case, it is a grain cartel company to which he must sell. Through this process, the grain cartel sets the price—at the lowest level possible.

This raw materials and food control makes the current British Empire the most powerful in history; to ensure that people eat and national economies aren't strangled, it must be dismantled.

FIGURE 20

Four food cartel members control 45% of U.S. pork slaughtering

(percent of total U.S. pork slaughtering)



Sources: *Successful Farming*; *Feedstuffs*; research of Heffernan and Constance.

FIGURE 21

Four sheep slaughtering firms control 70% of U.S. capacity

(percent of total U.S. sheep slaughtering)



Sources: American Sheep Industry Association; research of Heffernan and Constance.

FIGURE 22

Four grain cartel members own 24% of U.S. grain elevators

(percent of U.S. grain elevetor capecity)



Sources: *1994 Grain and Milling Annual*; research of Haffaman and Constance.

The Anglo-Dutch corporate empire

by Anthony K. Wikrent

The 3,000 to 5,000 financier-oligarchs who comprise the ruling council of the new British Empire, own and manage the affairs of an interlocking corporate apparatus that dominates "choke points" within the global economy, especially finance, insurance, raw materials, transportation, and consumer goods. This cartel is known as the Club of the Isles; its center of policy making and power is the one square mile known as the City of London.

The Club of the Isles has expanded its control over the financial and corporate affairs of Germany, France, and other continental European states. Switzerland and the Netherlands have historically been integrated into the London-centered imperium. Although there are occasional disputes and rivalries within the ranks of the Club, for the most part, this vast, global structure of corporations, banks, etc. functions as a single geopolitical entity, at war with the nation-state system. As Katharine West wrote in a report for the Royal Institute of International Affairs (see p. 37), "To understand the reality as opposed to the rhetoric of British involvement in European and non-European economies, it is better to study what companies do rather than what politicians say."

What follows are profiles of the most important corporations within the Windsor/Club of the Isles apparatus today.



Key personnel:

Edward Alan John George: governor 1993- (joined BOE 1962; seconded to Bank for International Settlements 1966-69; seconded to International Monetary Fund as Assistant to Chairman of Deputies of the Committee of Twenty on International Monetary Reform, 1972-74).

Sir George Adrian Hayhurst Cadbury: director, 1970-94 (Cadbury Schweppes, deputy chairman and managing director 1969-74, chairman 1975-89; IBM U.K. Ltd., director 1975- ; Panel on Takeovers and Mergers, 1990- ; Committee on Financial Aspects of Corporate Governance, chairman 1991-).

Sir Colin Ross Corness: director 1987-95 (Redland PLC, director 1967- , chairman 1977- ; Courtaulds PLC, director 1986- ; S.G. Warburg 1987- ; Union Camp Corp., director 1991- ; U.K. Advisory Board, British-American Chamber of Commerce, 1987-).

Frances Anne Heaton: director 1993- (HM Treasury 1970-80; Lazard Brothers and Co. 1980- , director 1987- ; Panel on Takeovers and Mergers, director general 1992-).

Sir Christopher Anthony Hogg: 1992- (Hill Samuel Ltd. 1963-66; Courtaulds PLC 1968- , chairman 1980-94; Reuters Holdings 1984- , chairman 1985- ; SmithKline Beecham 1993- ; International Council of J.P. Morgan 1988- ; Ford Foundation, trustee 1987-).

Sir Martin Wakefield Jacomb: director 1986-95 (practiced at the bar, Inner Temple 1955-68; Kleinwort Benson, director 1968-95; Hudson's Bay Co., director 1971-86; Barclays de Zoete Wedd, chairman 1986-91; Barclays Bank PLC, deputy chairman 1985- ; The Telegrapb PLC, director 1986- ; Commercial Union Assurance Co., director 1988- ; RTZ Corp. PLC, director 1988- ; PosTel Investment Management Ltd., director 1991- ; British Council, chairman 1992-).

Sir John Chippendale Keswick: director 1993- (married daughter of 16th earl of Dalhousie 1966; Hambros Bank Ltd., chairman 1986- ; Charter Consolidated PLC, director; De-Beers, director 1994- ; Edinburgh Investment Trust Ltd., director; Queen's Body Guard for Scotland; Royal Company of Archers).

Sir Christopher Jeremy Morse, KCMG: director 1993- (Glyn Mills and Co., director 1964; Bank of England, director 1965-72; Alternate Governor of United Kingdom for International Monetary Fund (IMF) 1966-72; Chairman of Deputies of Committee of Twenty, IMF, 1972-74; Lloyds Bank, deputy chairman 1975-77, chairman 1977-93; London Forex Association, president 1978-91; Zeneca PLC, director 1993-).

Ian Plenderleith: director 1990- (joined BOE in 1965; seconded to IMF 1972-74; private secretary to governor of BOE 1976-79; senior broker to Commissioner for Reduction of National Debt 1989- ; London Stock Exchange, director 1989- ; Stock Borrowing and Lending Committee, chairman 1990- ; OECD Study on Debt Management, Editorial Committee 1990- ; Government Borrowers Forum, co-chairman 1991- ; Financial Law Panel 1992-).

Sir David Gerald Scholey: director 1981-94 (S.G. Warburg Group 1964- , director 1967- , chairman 1984- ; British Telecom PLC, director 1985- ; Chubb Corp., director 1992- ; The General Electric Co. PLC, director 1992- ; British Broadcasting Corp., director 1995-).

Sir David Simon, CBE: director 1995- (British Petroleum 1961- , director 1986- , deputy chairman 1990- , chairman 1995; Deutsche Bank, International Advisory Council; Allianz AG, director; Grand Metropolitan PLC, director 1989- ; RTZ Corp. PLC, director 1995-).

When an American thinks of the City of London, he or she probably thinks of a sprawling metropolitan area. But an

English aristocrat would sneer at such a misconception. For, the City of London refers to just under one square mile of land, on the north bank of the River Thames, within which is concentrated the financial and monetary apparatus of the Empire. And within the City of London, the Bank of England occupies a central position, supervising the flow of credit and money; carefully guiding the major world financial institutions, such as the IMF, by "seconding" key employees; and propagating around the world, through an "old boys" network, the cherished City ideals of monetarism, deregulation, privatization, and free markets—the essential theoretical ingredients for creating an environment in which the Empire can maintain its domination, while its agents wear the publicly acceptable cloak of "free enterprise."

The Bank of England is supposedly the major financial regulator of the United Kingdom, but very rarely does the bank launch punitive actions; it much prefers to make its concerns known through private discussions with the City's bankers. Usually, a summons to lunch with a member of the Court of Directors is quite enough for a banker to know that he has gone too far, and had best get back in line, else find he is unwelcome at his own clubs, and his social life ruined. It would never do for usury to drop the cloak of "competitiveness" to reveal the framework of pure thuggery underneath.

Established in 1694, ostensibly to help finance King William III's war against France, the creation of the Bank of England was a major step by London's Venetian faction, led by the Earl of Marlborough and Baron Charles Montagu, later earl of Halifax, in establishing a new oligarchgy based on financiers and speculators, at the expense of the old landed aristocracy. Within 11 days, 1,268 people, most desiring to prevent the restoration of the Catholic Stuart monarchy, had subscribed £1.2 million.

There were fears at first that the bank would be a "republican" institution that would "entrust the Fund of the Nation in the Hands of Subjects," who would be "of the popular side" and thus "insensibly influence the Church and State." But, far from being an engine of republicanism, the bank proved itself a key instrument in the Venetian faction's creation of a permanent national debt, which, by 1711, had multiplied 25-fold, to over £50 million. Interest payments alone were more than total government revenues that year.

Despite the rapidly accreting evidence of financial and economic ruin, in 1708 Parliament gave the bank—a privately owned institution, not a government entity—a monopoly over the issuance of bank notes. Counterfeiting the notes of the private Bank of England was made a *capital* offense, and more than 300 people were hanged; the Court of Directors was denounced in pamphlets as being "grand purveyors to the gibbet." The chief enforcement officer for the bank, the Warden of the Mint since 1695, was the scientific charlatan Sir Isaac Newton, who had curried favor with Lord Halifax by "purveying" his own niece and adopted daughter. Newton supervised the "Great Recoinage" of 1696, which had withdrawn some £2.7 million in coins from circulation, thus forcing popular acceptance of the bank's notes; Newton also personally supervised many of the executions.

In 1711, the bank assisted Marlborough's preparations for unleashing a mob to depose Queen Anne, who was attempting to negotiate an end to the war with France, and find a way to save England from its crushing debt. Marlborough and the bank's plot was stymied by Jonathan Swift's devastating exposé, *The Conduct of the Allies*, in which he observed that the past two decades of carnage in Flanders, had been perpetrated by "that set of people, who are called monied men; such as had raised vast sums by trading with stocks and funds, and lending upon great interest and premiums; whose perpetual harvest is war, and whose beneficial way of traffick must very much decline by a peace."

Attacking the "free enterprise" thinking that would be propounded 50 years later by Adam Smith, Swift warned: "It is the folly of too many to mistake the echo of a London coffeehouse, for the voice of the kingdom. The city coffeehouses have been for some years filled with people, whose fortunes depend upon the Bank [of England], East-India [Company], or some other stock. Every new fund to these, is like a new mortgage to a usurer. . . ."

In 1825, a financial collapse threatened the bank, which was saved at the last minute by an infusion of gold coin exported from continental Europe by the Rothschilds. In 1890, the Bank of England switched roles, leading the City in preventing the complete collapse of Barings Brothers.

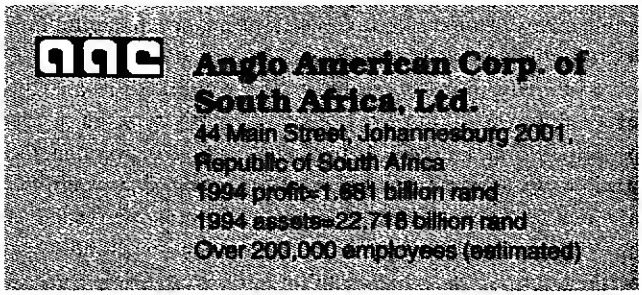
In 1920, Montagu Norman became the governor of the bank, ultimately serving for 24 years, longer than anyone before or since. Norman was one of the key figures in promoting the rise to power in Germany of Adolf Hitler and Hitler's economics minister, Hjalmar Schacht. It was not until two years after Norman's departure, that the Bank of England was nationalized and made a government entity by a Labour government, in 1946.

The Bank of England has been a persistent puveyor of privatization, deregulation, and "free markets." In late 1994, for example, it was revealed that the Bank of England had pressured regulators in other countries not to interfere with the $1.5 trillion a day derivatives markets: About half the world's $1.3 trillion a day in foreign exchange (half of which is derivatives) is controlled by banks in the City of London. In November 1993, the Bank of England's executive director, Andrew Crockett, was made general manager of the Bank for International Settlements, and the BIS ceased to issue quiet warnings about the dangers of derivatives.

The worldwide shift away from a government focus on full employment, to a focus on fighting inflation, was initiated by the Bank of England in the early 1970s, with foreknowledge of the disastrous effects on employment, and the condition of industry.

Under the Companies Bill, the governor of the Bank of England may exempt certain individuals from publicly disclosing their share holdings—a critical loophole for hiding the vast wealth of the House of Windsor. In October 1992,

Reuters news wires revealed that there is a separate freemasonic lodge for the Bank of England.



Key personnel:

Julian Ogilvie Thompson: chairman (son of the chief justice of South Africa, married the daughter of the 4th viscount Hampden, CMG, 1956; De Beers; Minorco).

Nicholas Oppenheimer: deputy chairman (De Beers).

Sir Phillip J. Oppenheimer: director (De Beers).

P.J.R. Leyden: director (De Beers).

Gavin Walter Hamilton Relly: director (De Beers; Minorco; chairman South Africa Nature Foundation).

Rupert Nicholas Hambro: director (The Telegraph).

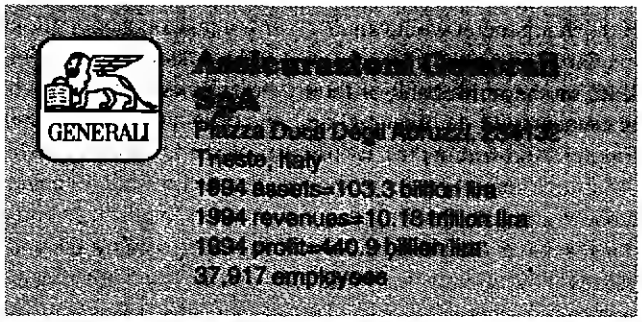
Sir John Chippendale Keswick: director (see Bank of England profile).

Anglo American dominates the economy of South Africa, holding an interest in an estimated 1,300 South African companies. It is the second largest mining firm in the world, mining almost every mineral and ore in the world. In addition, it conducts banking, insurance, heavy engineering, and manufacturing of steel, paper, pulp, packaging, timber, and chemicals, paints, explosives, fertilizers, electronics, and motor vehicles, and has retail operations selling clothing, furniture, household appliances, and building materials, and is the South African distributor for Komatsu and Dresser construction and other heavy equipment.

Anglo American cross-owns the two De Beers companies. The three firms today are the core of the Oppenheimer empire; all three companies have the same chairman, deputy chairman, and share most directors. Anglo American's operations outside of Africa are managed by Minorco S.A.

The Rothschilds and Morgans provided Sir Ernest Oppenheimer, a descendant of the German family that two centuries earlier had employed Mayer Amschel Rothschild, with the financing to cartelize diamond and gold production in South Africa between 1902 and 1929, beginning with the 1905 purchase of Consolidated Mines Selection Co., which owned most of the East Rand gold field. Oppenheimer formed Anglo American in 1917, and began moving in oo diamond mining, with help from Gen. Jan Smuts, then prime minister of South Africa, and a leading member of the Milner group. By 1929, Oppenheimer had taken control of De Beers.

In April 1996, Anglo American bought 5.9% of Lonrho, with options to buy another 18.4%, from Lonrho CEO Dieter Bock.



Key personnel:

E. Coppola di Canzano: chairman and joint managing director.

Antoine Bernheim: joint vice chairman 1995- (Lazard Frères et Cie.).

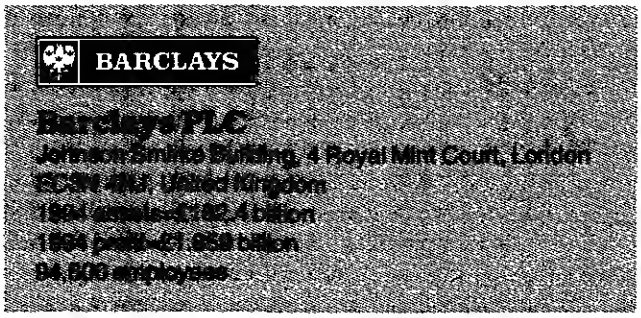
C. della Torre e Tasso: deputy chairman.

Assicurazioni Generali SpA is a direct descendant of one of the largest fondi of ancient Venice, and was traditionally *the* insurance company for the area controlled by the Austro-Hungarian Empire. Today, its connection to the City of London is quietly maintained through the Lazard complex of European holdings. The Generali was formally established in Trieste, in December 1831, but the ink on the papers was not even dry before founder Giuseppe Morpurgo established the firm's Italian headquarters in Venice. Another founder was a business partner of the Vienna Rothschilds.

The Generali is quite conscious of its Venetian lineage, acquiring the Procuratie Vecchie on the Piazza San Marco in Venice in the 1880s, building its Rome office on the Piazza Venezia about the same time, and, in 1918, adopting as its symbol the winged Lion of St. Mark, the traditional symbol of Venice's power and long-reaching intelligence capabilities.

During World War II, the chairman was Count Giuseppe Volpi di Misurata, a central figure in bringing the Bolsheviks to power in Russia.

The Torre e Tasso (Thurn und Taxis) family ran the European postal service for Europe's oligarchs since the sixteenth century.



Key personnel:

Andrew Robert Fowell Buxton: 1963- , director 1978- , chairman 1990 (SmithKline Beecham, director).

Sir Peter Middleton, GCB, director (permanent secretary of the Treasury 1983-91).

Sir John Derek Birkin TD: director 1990- (RTZ Corp. PLC, director 1982- , CEO and deputy chairman 1985-91, chairman 1991- ; CRA Ltd., director 1985- ; The Merchants Trust PLC, director 1986- ; Merck and Co. Inc., director 1992- ; Unilever, director 1993- ; Royal Opera House, director 1993-).

Sir Denys Hartley Henderson: director (Imperial Chemical Industries, director 1980-87, chairman 1987-95; Zeneca Group, chairman 1992-95; The Rank Organization, chairman; RTZ Corp. PLC, 1990-).

Lord Wright of Richmond, KCMG, CMG: director 1991- (entered Diplomatic Service 1955, first secretary of Embassy to United States 1960-65; Head of Middle East Department Foreign and Commonwealth Office 1972-74; private secretary for overseas affairs to prime minister 1974-77; ambassador to: Luxembourg 1977-79, Syria 1979-81, Saudi Arabia 1984-86; permanent undersecretary of state and head of diplomatic service 1986-91; Britsh Petroleum, director 1991- ; De La Rue, director 1991- ; Unilever, director 1991- ; Royal Institute of International Affairs, Council 1992-95, chairman 1995- ; Ditchley Foundation, governor 1986- ; Royal College of Music, Fellow 1994).

Largest of the Big 4 London Clearing Banks, Barclays has historically been a major banking power in Africa and the Caribbean. Established in 1736 by James Barclay, the bank has always been tightly controlled by the Barclay, Freame, Bevan, and Buxton families, the last of which co-founded the World Wildlife Fund. Among the banks acquired since its founding were the Colonial Bank, chartered to operate in the West Indies and British Guyana; the National Bank of South Africa Ltd.; and the Anglo-Egyptian Dominion, Colonial, and Overseas Bank. By 1925, Barclays had become the first, and, for decades, remained the only British bank to combine operations in Britain with those in the rest of the Empire. In 1968, Barclays merged with Martin's Bank of London, which had been founded by Sir Thomas Gresham, chief financial adviser to Elizabeth I, and founder of the Royal Exchange.



Key personnel:

Peter Baring: chairman (great-grandson of the First Lord Revelstoke; Inchcape 1978-).

Nicholas Hugo Baring: deputy chairman 1986-89 (chairman Commercial Union PLC; The National Trust 1979-).

Robert Malpas: director (ICI; British Petroleum 1983-89; chairman Cookson Group 1991-).

Henry Michael Pearson Miles: deputy chairman (John Swire and Sons Ltd. 1988- ; Johnson Matthey).

Andrew Marmaduke Lane Tuckey: deputy chairman (Dillon Read Holding, Inc. director 1991- ; International Capital Markets Advisory Committee of the Federal Reserve Bank of New York 1992-).

Miles James Rivett-Carnac: chairman Baring Securities Ltd. (London Stock Exchange 1991- ; Allied-Lyons PLC 1992-).

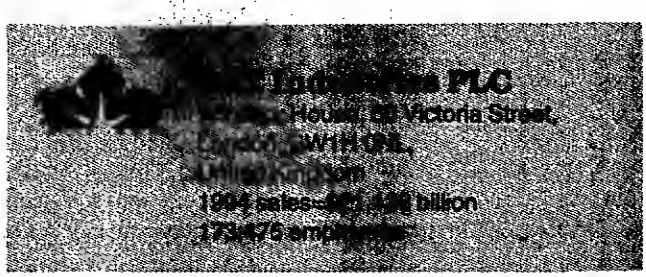
The series of financial institutions founded by the Barings family has played a crucial role in the British Empire for over 200 years. Barings PLC traces itself to the partnership of John and Francis Baring and Co., founded in London in 1762. In 1767, Francis (1740-1810) married Harriet Herring, cousin to the former archbishop of Canterbury, signalling acceptance of the family within the English oligarchy. By the 1770s, Francis had become a confidant and adviser of the earl of Shelburne (later Lord Lansdowne), and by 1783 was accepted as a member of the Court of Directors of the British East India Company. Barings money thus financed much of the world's opium trade.

Francis's second son, Alexander (1774-1848), emerged as the foremost "America handler" of the British, having bought control of the "Boston Brahmin" opium- and slave-running families. Alexander was given a baronetcy in the second creation of the Lord Ashburton in 1835. Over time, another four baronetcies were awarded the Barings: Northbrook in 1866; Revelstoke in 1885; Cromer in 1901; and Howick of Glendale in 1960. The third earl of Cromer, Lord Errington, was made minister to the United States in 1953. From 1962 to 1967, he was governor of the Bank of England, then chairman of Barings, until 1971, when he was dispatched to Washington as ambassador a second time.

Top dog in the Barings pack today is Lord Ashburton, chairman of British Petroleum (BP) from 1992 to 1995, and a member of Prince Philip's 1001 Club Nature Trust. Lord Ashburton has been a director of Baring Brothers and Co. Ltd. since 1955. Lord Ashburton's second wife was the daughter of J.G. Spencer Churchill. Lord Ashburton was also a director of the Bank of England from 1983 to 1991, and has been a trustee of the Rhodes Trust since 1970, and chairman since 1987. The embarrassment of the sudden collapse of Barings on Feb. 24-26, 1995, probably is the reason he left the boards of Barings, BP, and other firms. Internationale Nederlanden Groupe bought Barings PLC for £1, assuming Barings' liabilities.

At the time Barings collapsed, the firm was half-owned by the Barings Foundation, through 60 million shares of non-voting stock. The entirety of voting stock was owned by the directors, who also dominated the board of trustees of the foundation. A notable trustee is Sir Crispin Tickell, one of the top diplomats of the British Empire since World War II, an expert in creating and manipulating "indigenous peoples

movements," and a principal promoter of the global warming hoax in the 1980s. Tickell is a trustee of the World Wide Fund for Nature (formerly World Wildlife Fund), and a vice president of the Royal Geographic Society, of which he was president from 1990 to 1993.



Key personnel:

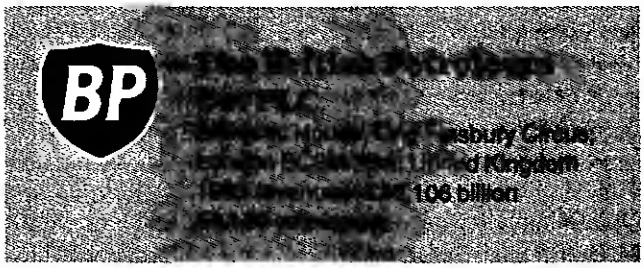
Sir Patrick Sheehy: chairman (British Petroleum).

Lord Cairns: vice chairman 1985-95, chairman 1995- (succeeded his father 1989; S.G. Warburg, director 1985-95; deputy chairman and CEO 1991-95, chairman 1995-).

Lord Armstrong of Ilminster, GCB, CVO: director 1988- (Treasury 1950-64, assistant secretary of the Treasury 1967-68; private secretary to Chancellor of the Exchequer 1954-55, 1968; principal private secretary to prime minister 1970-75; permanent undersecretary of state 1977-79; secretary of the cabinet 1979-87; head of Home Civil Service 1981-87; Rhodes Trust 1975- ; Inchcape, director 1988- ; N.M. Rothschild, director 1988- ; RTZ, director 1988- ; Shell Transport and Trading, director 1988- ; Royal Opera House, Covent Garden, director 1988-).

Clayton Yeutter: director (former U.S. Trade Representative; Caterpillar, director).

BAT is the largest seller of cigarettes outside the United States, with 300 brands sold in 160 countries. British American Tobacco is the result of the cigarette cartel formed in 1902, after a brief price war in Britain between Imperial Tobacco Co. and James Buchanan Duke's American Tobacco. In 1927, BAT bought Brown and Williamson Tobacco Co., which it still owns. In 1984, BAT acquired Eagle Star, the British insurance company that figured prominently in dirty-money operations.



Key personnel:

Sir David Simon, CBE: chairman (see Bank of England profile).

Peter Sutherland: (former director general of the General Agreement on Tariffs and Trade).

H. Michael Miles, OBE: (Johnson Matthey, John Swire, ING Barings Holdings).

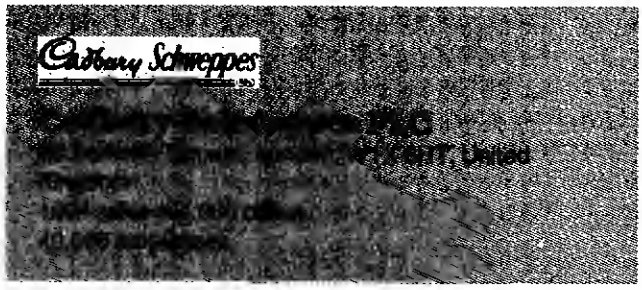
Sir Patrick Sheehy: (BAT, Swiss Bank).

Lord Wright of Richmond: (see Barclays profile).

The largest non-financial company in Britain, and the fourth largest of the world's oil multinationals, more than half of BP's world output comes from the North Slope of Alaska; another third comes from the North Sea.

BP began with the joint project of William Knox D'Arcy and Burmah Oil, which struck the first oil in the Middle East in 1908. D'Arcy was then duped by British intelligence operative Sidney Reilly, known as the "ace of spies," into turning over the find to Anglo-Persian Oil Co., run by Lord Strathcona. Winston Churchill convinced HM government in 1914 to buy 51% of Anglo-Persian. The firm was in on the first oil strikes in Iraq (1927) and Kuwait (1938). In 1928, Anglo-Persian and its major competitors made a secret "As Is" agreement, which fixed world production and prices for the next 20 years. Anglo-Persian changed its name to British Petroleum in 1954.

Morgan Guaranty Trust Co., of J.P. Morgan, holds 16.67% of BP. FMR Corp., parent of the Fidelity mutual funds, owns 5.54%. The Kuwaiti Investment Office holds 9.42%.



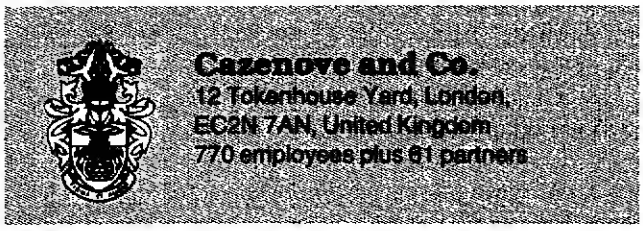
Key personnel:

N. Dominic Cadbury: chairman (The Economist Newspaper Ltd., chairman).

Sir John Whitehead, GCMG, CVO: (Morgan Grenfell, senior adviser).

Dr. F.B. Humer: (Glaxo Holdings).

One of the oldest family-controlled firms in the world, Cadbury Schweppes has been under the direction of the Cadbury family ever since John Cadbury began making cocoa in Birmingham in 1831. The Cadbury firm merged with the Schweppes carbonated water firm in 1969. In 1994, Cadbury Schweppes was part of the Camelot Group, which won the bidding to run Britain's national lottery; which is overseen by Lord Jacob Rothschild, and which funds many of his preservation projects. Among the brand names Cadbury Schweppes owns in the United States are A&W, Canada Dry, Crush, Dr. Pepper, Hires, Mott's, Seven-Up, and Sunkist.

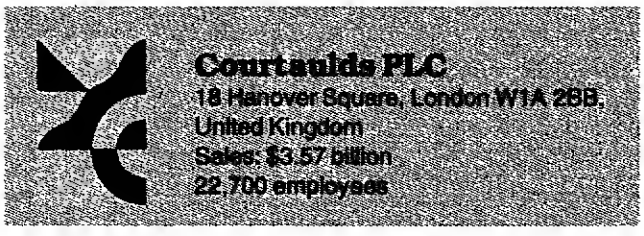


Key personnel:

Anthony David Arnold William Forbes: joint senior partner (his mother is the marchioness of Exeter; Royal Insurance Holdings PLC 1994- ; RTZ Pension Investment Ltd. 1994-).

Founded in 1823 as Menet and Cazenove by a French Huguenot, Philip Cazenove, and John Francis Menet, Cazenove is a private partnership that engages in only stock brokerage services (helping to place new issues on the market). About half the largest companies in Britain are clients of Cazenove, a very stodgy firm, which prides itself on not being a "meritocracy."

In April 1993, the duumvirate which ran Cazenove for 14 years, John Kemp-Welch and Sir Anthony Forbes, retired. Kemp-Welch became chairman of the London Stock Exchange. They were replaced by a triumvirate of Mark Loveday, David Mayhew, and David Barnett. Loveday's father, George Loveday, was formerly a chairman of the London Stock Exchange, and his godfather is Sir Antony Hornby, who ran Cazenove for two decades. Mayhew is a cousin of Sir Michael Richardson, a close friend of former Prime Minister Margaret Thatcher, and a leading Freemason, who was head of corporate finance at Cazenove from 1971 to 1981, then managing director of N.M. Rothschild and Sons until 1993, when he "retired," embarrassed by his relationship with bankrupts Robert Maxwell and Asil Nadir.

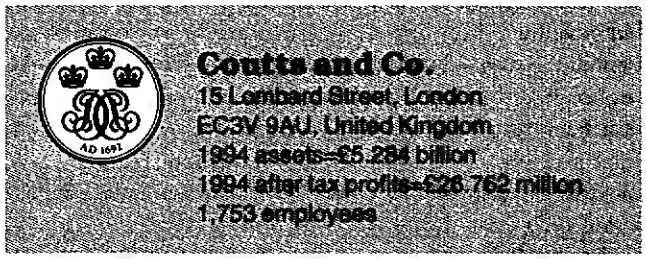


Key personnel:

Sir Christopher Hogg: director (see Bank of England profile).

Sir David Lees: director (see Bank of England profile).

Courtaulds and Courtaulds Textiles were once one firm, which began as a silk manufacturer in 1816, and achieved prominence after buying the rights to the patents for making rayon in 1904, and had over 100,000 employees in 1975. Hogg oversaw the dismantling and shrinking of the firm, apparently being rewarded with a knighthood. It now makes paints, coatings, specialty chemicals, and packaging materials.

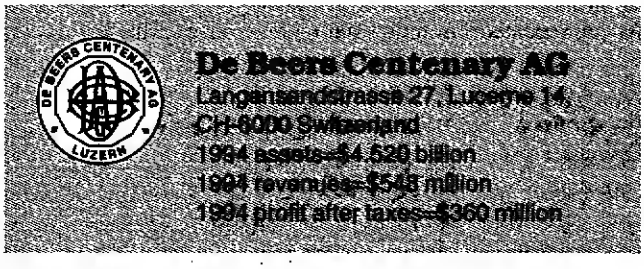


Key personnel:

Denis Marsden Child, CBE: director (National Westminster).

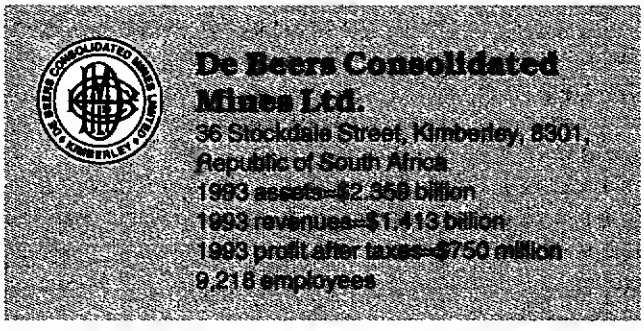
Dr. Reto F. Domeniconi: chairman, Coutts and Co. A.G. (Nestlé).

Coutts is the private bank used by the Queen. Wholly owned by National Westminster Bank PLC, Coutts functions as the private banking arm of NatWest Group, providing private banking and financial services to wealthy individuals in 17 "jurisdictions" worldwide.



Key personnel:

same as Anglo American, excluding Hambro.



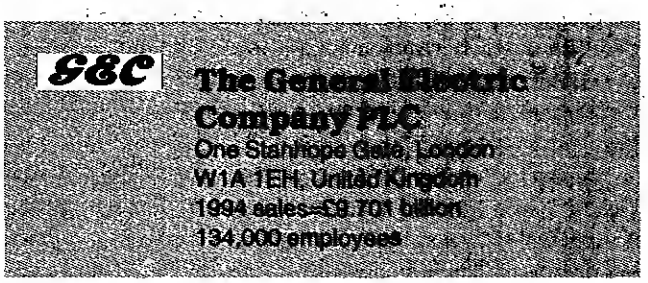
Key personnel:

same as Anglo American, excluding Hambro, but adding:
Sir Harry Oppenheimer.
Sir Evelyn de Rothschild.
Baron Edmund de Rothschild.

Established by white supremacist Cecil Rhodes in 1880, De Beers controlled around 90% of the world's diamond production by 1888, following a series of mergers that were financially backed by the Rothschilds. Diamonds are the one commodity in the world that most closely approximates the sale-to-weight ratio of pure heroin (even more so than gold),

and have therefore been a significant factor in the development of the world's illegal narcotics trade by the British Empire. In 1925, Sir Ernest Oppenheimer of Anglo American, with backing from Herbert Hoover, N.M. Rothschild and Sons, and J.P. Morgan and Co., began reorganizing the London-based world diamond cartel, and by 1929 had seized complete control of De Beers.

During World War II, the U.S. government accused De Beers of hoarding diamonds needed for the war effort; in the 1940s, 1950s, and 1970s, the U.S. government pursued De Beers and its diamond cartel, the Central Selling Organization, on anti-trust grounds. De Beers did not deign to defend itself: In strictly legal terms, it has no operations in the United States. In April 1992, the U.S. Justice Department accused De Beers of conspiring with General Electric Co. to fix the price of industrial diamonds; the case was later dismissed. The company was split in 1990 so that the Swiss branch could run De Beers's operations outside South Africa. One of its major problems has been to maintain control over world diamond supply: South Africa now supplies only 10%, and the Soviet Union, now Russia, has repeatedly dumped diamonds to raise cash.



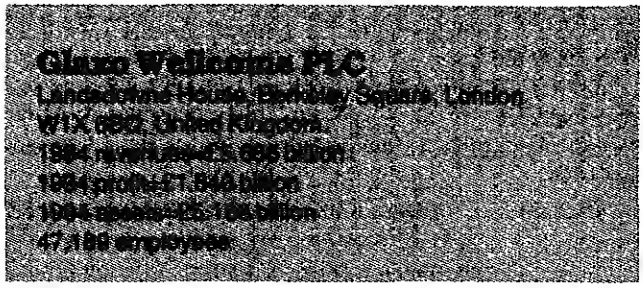
Key personnel:

Lord Catto: director 1959-93 (Morgan Grenfell, president 1987- ; News International Ltd., director 1969- ; Times Newspaper Holdings Ltd., director; London Advisory Committee of Hongkong and Shanghai Bank 1966-80; Westminster Abbey Trust, chairman Executive Committee).

Lord William Rees-Mogg: director 1981- (*Financial Times* 1952-60; *Sunday Times*, assistant editor 1960-67, editor 1967-81, *The Times* Ltd., director 1968-81; British Broadcasting Co., vice chairman 1981-86; Sidgwick and Jackson Ltd., chairman 1985-88; Arts Council of Great Britain, chairman 1982-89; Broadcasting Standards Council, chairman 1988-93; American Trading Co. Ltd., chairman 1992- ; International Business Communications PLC, chairman 1993- ; J. Rothschild Investment Management Ltd., director 1987- ; St. James' Place Capital PLC, director 1991- ; The Telegraph PLC, director).

Sir David Scholey: director (see Bank of England profile).

GEC is the largest manufacturing firm in Britain, and is related to General Electric Corp. of the United States only through the creation in 1989 of a joint venture between the two companies linking their appliance, medical equipment, and electrical products distribution operations. The same year, GEC created a joint venture with Alcatel Alsthom of France, combining the two companies' power generation and distribution equipment, and railroad equipment, manufacturing operations. GEC executives were major contributors to Margaret Thatcher and the Conservative Party.



Key personnel:

The Rt. Hon. The Lord Howe of Aberavon, PC, QC: director 1991- (Privy Council; Chancellor of the Exchequer 1979-83; secretary of state for foreign and commonwealth affairs 1983-89; Lord President of the Council; deputy prime minister 1989-90; Sun Alliance and Insurance Group, director 1974-79; BICC PLC, director 1991- ; Framlington Russian Investment Fund, chairman 1994; International Council of J.P. Morgan).

Anne Legendere Armstrong: director 1991- (U.S. ambassador to Britain 1976-77; co-chairman Reagan/Bush campaign 1980; chairman, President's Foreign Intelligence Advisory Board 1981-90; trustee, Center for Strategic and International Studies at Georgetown University 1987- ; Council on Foreign Relations 1977- ; Ditchley Foundation 1977-87).

The Rt. Hon. The Lord Kingsdowne, KG, PC: director (Privy Council; National Westminster Bank, director 1972-83; Bank of England, governor 1983-93; Hambros PLC, director 1993- ; Redland PLC, director 1993- ; Foreign and Colonial Investment Trust, director 1993- ; National Economic Development Council 1982-93; Ditchley Foundation, governor 1987-).

The result of a 1995 merger between two British companies that were already among the largest pharmaceutical companies in the world, Glaxo Wellcome is now the largest. Glaxo was begun by Englishman Joseph Nathan in 1873 as an import-export business based in New Zealand, but became known for its baby food, based on powdered milk. World War II saw the firm's production capacity used to produce pharmaceuticals. In the 1970s, Glaxo developed Zantac, an anti-ulcer medication that became the largest-selling prescription drug in the world by the end of the 1980s.

Wellcome was established in London in 1879 by Americans Silas M. Burroughs and Henry S. Wellcome, as the marketing representative for U.S. pharmaceutical houses.



Grand Metropolitan PLC
20 St. James Square, London SW1Y 4RR, United Kingdom
1994 revenues=£12.292 billion
64,300 employees

Key personnel:

Lord Sheppard of Didgemore: 1975- , director 1982-87, chairman 1987- (Prince of Wales Trusts, chairman of Advisory Council 1995- ; London School of Economics, governor 1989-).

Richard V. Giordano, KBE: director (BOC Group, RTZ Corp.).

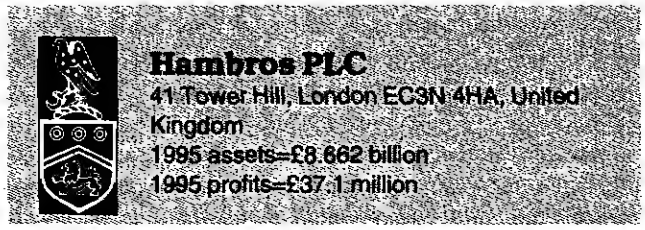
Peter J.D. Job: director (Reuters, CEO).

Sir Colin Marshall: (British Airways, chairman; HSBC Holdings; New York Stock Exchange).

Sir David Simon, CBE: director (see Bank of England profile).

Among Grand Met's brand names in the United States are, in food, Aunt Nellie's, Green Giant, Haagen-Dazs, Hungry Jack, Jeno's, Pillsbury, Totino's; in liquor, Black Velvet, Christian Brothers, Gilbey's, Glen Ellen, Inglenook, Jack Daniel's, Lancer's, Smirnoff, Wild Turkey; in retailing, Burger King and Pearle Vision. Grand Met also owns Farmers Group, Inc., the fourth largest property, casualty, auto, and homeowner insurer in the United States.

Grand Met was begun by young London real estate hotshot Maxwell Joseph in 1910. After World War II, he began buying war-damaged hotels, developing a worldwide chain of luxury hotels by the 1960s, when he began to acquire entire companies in other areas. In 1988, Grand Met bought the U.S. food conglomerate Pillsbury in a hostile takeover.



Hambros PLC
41 Tower Hill, London EC3N 4HA, United Kingdom
1995 assets=£8.662 billion
1995 profits=£37.1 million

Key personnel:

Lord Hambro: 1952- , director 1957- , chairman 1972- (son of Sir Charles Hambro; Guardian Royal Exchange Assurance, director 1968, chairman 1988- ; Peninsular and Oriental Steam Navigation Co., director 1987- ; San Paolo Bank Holdings, director 1989- ; Conservative Party, senior honorary treasurer 1993-).

Sir Chippendale Keswick: CEO 1985- , deputy chairman 1986- (see Bank of England profile).

The Rt. Hon. The Lord Kingsdowne: (see Glaxo-Wellcome profile).

Sir Adam Nicholas Ridley, director (adviser to chancellor of the exchequer 1979-85).

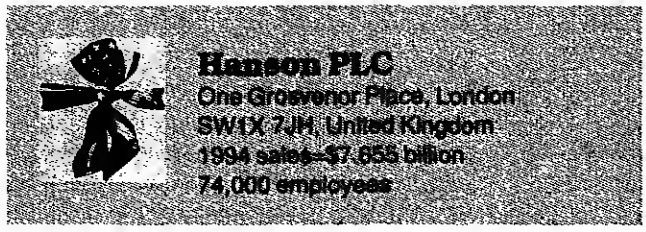
Lord Halifax (third earl of): Hambros Bank, director, 1978-94.

John Clay: director (The Guardian Media Group PLC).

Carl Joachim Hambro moved to London in 1839, from Copenhagen, where his father, Joseph, had been banker to the kings of Denmark, Sweden, and Norway, and the Rothschilds. By 1843, Parliament passed a bill making Hambro a British subject. In 1848, he floated a huge bond issue to finance Denmark's war against Prussia, partly to upstage the Rothschilds. In 1851, Hambro underwrote bonds for Count Camillo Benso di Cavour, finance minister of the Kingdom of Sardinia. Four years later, Cavour sent 15,000 troops to aid the British in the Crimean War.

In 1933, J.H. "Jack" Hambro became head of the firm. He had run the British intelligence service's United Kingdom Corp., which conducted economic warfare operations against Germany in the Balkans, Turkey, and other European occupied countries during World War I. In World War II, his son, Sir Charles Hambro, was director of the Special Operations Executive, which included Sir William "Intrepid" Stephenson. Hambros provided financial backing for relocating the world diamond trade from Amsterdam to London during the war.

A cousin, Jocelyn O. Hambro, established the firm in the United States after the war, and also sat on the board of the Assicurazioni Generali, the Venetian insurance fondo. During this time, Hambros owned Mocatta and Goldsmid Ltd., (established in 1684, one of the five firms in the London gold pool), which was later sold to Standard Chartered. In the 1970s, Lord Peter Carrington was a director.



Hanson PLC
One Grosvenor Place, London SW1X 7JH, United Kingdom
1994 sales=$7.655 billion
74,000 employees

Key personnel:

Lord Hanson: chairman 1965- .

Martin G. Taylor, CBE, MA: vice chairman (Vickers; National Westminster; Panel on Takeovers and Mergers).

The Rt. Hon. Kenneth Baker, CH, MP: director (secretary of state for the environment 1985-86; secretary of state for education and science 1986-90; Conservative Party, chairman 1989-90; home secretary 1990-92).

Simon L. Keswick: director (chairman, Trafalgar House; Jardine Matheson).

The Hon. Charles H. Price II: director (U.S. ambassador to Britain 1983-89; British Airways; *New York Times*).

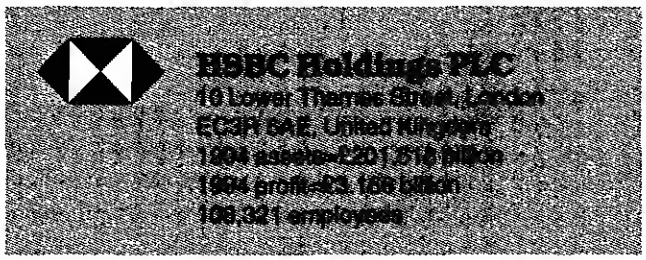
James Edward Hanson married into the Meinertzhagen banking family, the patriarch of which, Sir Richard Meinertzhagen, was the first of His Majesty's professional spies in this century, and one of the first English aristocrats to elaborate the concept of a nature reserve. Richard's cousin, Daniel Meinertzhagen, joined Lazard Brothers in 1936, and served as Lazard Brothers chairman from 1973 to 1980, and was also a director of Pearson and Son Ltd.

Hanson's partner, Vincent Gordon White, commanded Special Operations Executive Force 136 in the Far East in the 1940s. White's brother shared an apartment with Hanson at the time.

Hanson and White reaped huge profits from the 1946 nationalization of Britain's worn-out coal mines, and by the 1970s had assembled a collection of a dozen under-performing companies with rich asset bases in mature industries, such as construction materials. In 1973, White moved to the United States, and established Hanson Industries, buying in 1976 Hygrade Foods, the second largest seller of hotdogs at U.S. sports events, placing Hanson firmly in the dirty money world of the organized crime Jacobs family's Emprise, Inc. and Sportservice Corp. The same year, James Hanson, a favorite of Margaret Thatcher, was knighted. He was made a peer in 1984.

Also in 1984, Hanson became the largest brick-maker in the world by buying London Brick Co. At the same time, Hanson's $535 million buyout of U.S. Industries put Hanson among the 150 largest U.S. companies. Other companies acquired: SCM Corp. (1986), the world's second largest maker of titanium dioxide, a key element in paint, and maker of Smith Corona typewriters; Kidde (1987), maker of Jacuzzi whirlpool baths, and Farberware cookware; Peabody (1989), largest U.S. coal producer; Beazer USA (1992), largest U.S. producer of sand and gravel.

In 1989 Hanson was able to beat Minorco in buying Consolidated Goldfields PLC, giving Hanson 49% of Newmont Mining. Newmont was traded to Sir Jimmy Goldsmith in 1991 for Cavenham Industries. Lord White died in 1994, and Lord Hanson began to dismantle his empire a year later.



Key personnel:

Sir William Purves, CBE, DSO: chairman (Midland Bank, Shell).

Baroness Dunn, DBE: deputy chairman (Hongkong Executive Council 1982- ; John Swire and Sons Ltd., director; World Wildlife Fund Hongkong 1982-85).

Charles D. Mackay: director (CEO Inchcape, British Airways).

Sir Colin Marshall: director (see Grand Metropolitan profile).

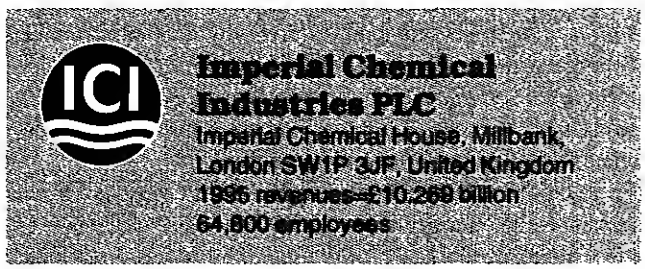
Sir Adrian Swire: director (chairman John Swire and Sons Ltd., Swire Pacific Ltd.).

Sir Peter Ingram Walters: deputy chairman 1992- (British Petroleum 1954- , director 1973-90, chairman BP Chemicals 1976-81; Lloyds Register of Shipping, 1976-90; National Westminster, director 1981-89; Midland Bank, director 1991-94; Blue Circle Industries, chairman 1990- ; London Business School, governor 1981-91; National Institute of Economic and Social Affairs, governor 1981-90; SmithKline Beecham, director 1989- ; Thorn EMI, director 1989, deputy chairman 1990-).

Originally named the Hongkong and Shanghai Bank, the firm was organized by Peninsular and Orient Steam Navigation Co. Hongkong superintendent Thomas Sutherland in 1865, to preempt a group of financiers in Bombay. The HongShang's major business was the financing and promotion of the British imperial trade in tea, silk, and, especially, opium, even though some of the most important firms in the opium trade, such as Jardine Matheson, or the U.S. firm Russell and Co., were not represented on the HongShang board. By the 1870s, the HongShang had achieved such dominance in the colony, that it was functioning as the de facto central bank of Hongkong, issuing the colony's currency—a role which HSBC continues today, along with its handling of dirty money.

In the 1980s, the HongShang began to move into the United States, buying control of Marine Midland Bank in 1980, and 51% of Carroll McEntee and McGinley, a primary U.S. Treasury securities dealer, in 1983. In 1986, major London stockbroker James Capel and Co. was acquired, and 14.9% of Midland Bank PLC was purchased in late 1987.

With the British Empire's lease on Hongkong due to expire in 1997, the HongShang decided it was time to move on. In 1992, the bank acquired the remaining shares of Midland Bank PLC, doubling its assets. The next year, the HongShang changed its name to HSBC Holdings, and moved its headquarters to London.

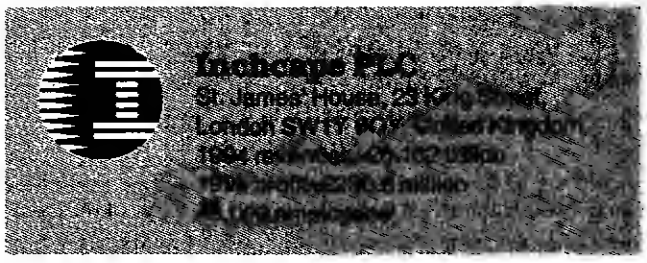


Key personnel:

Sir Denys Hartley Henderson: chairman 1987-94 (see Barclays profile).

Charles Miller Smith: CEO (Midland Bank).
Ellen R. Schneider-Lenne, director (Morgan Grenfell).

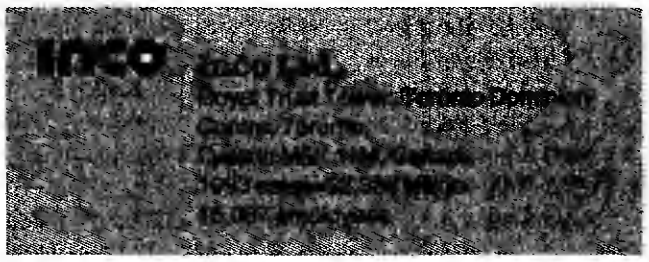
ICI is the fourth largest chemical firm in the world, producing industrial, agricultural, and specialty chemicals; paints; pharmaceuticals; and explosives. ICI was formed in 1926 by the merger of the four largest British chemical firms—Nobel Industries Ltd., United Alkali, British Dyestuffs, and Brunner Mond and Co.—by Lord Melchett, in order "to rationalize the chemical manufacture of the world." ICI has been one of the most important firms of the Empire, often sharing directors with the major clearing banks, RTZ, Shell, and other companies. During World War II, it was ICI that attempted to manufacture an atomic bomb for HM government.



Key personnel:
Sir David Plastow: chairman (Vickers, former chairman and CEO).
Charles Mackay: CEO (HSBC, Britsh Airways).
Peter Baring: director (Barings, former chairman).
Lord Armstrong of Ilminster: director (see BAT profile).
Paul Cheng: director (chairman of N.M. Rothschilds and Sons Hongkong).
Hugh Norton: director (British Petroleum).

Among its most lucrative businesses, Inchcape is sole distributor of Toyota motor vehicles in ten countries. Inchcape's origins can be traced back to the establishment in 1856 of the Calcutta and Burma Steamship Co., with the contract from the British East India Company to carry the Empire's mail from Calcutta to Rangoon. In 1893, the business came under the control of James Lyle Mackay, who had been with the firm for 19 years, and was a close friend of Lord Lansdowne, viceroy of India. Created Lord Inchcape in 1911, Mackay became chairman of British India Steam two years later, and in 1914 combined his firm with the Peninsular and Orient Steamship Navigation Co. His son, the second Lord Inchcape, chaired the India Commission which, in the 1920s, advocated the continuation of the opium trade as the best means to secure royal revenues.

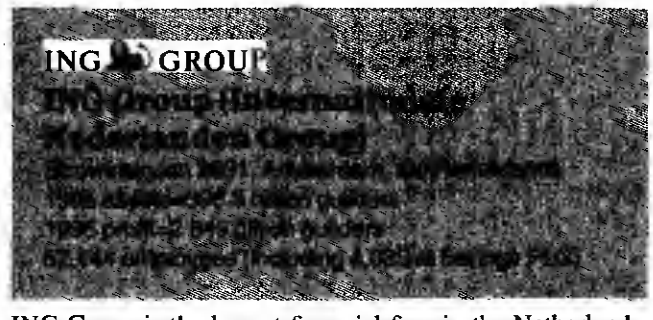
The third Lord Inchcape reorganized the various firms as Inchcape PLC in 1958. Business operations in India were reorganized as the Assam Co., one of the largest tea traders in the world. In 1967, Inchcape doubled in size by taking over the Borneo Co. Two years later, Inchcape acquired Gilman and Co., one of the major Hongkong trading firms. Through a series of such acquisitions in the 1960s and 1970s, Inchcape grew to 150 times its original size.



Key personnel:
Richard M. Thomson: director (chairman and CEO, Toronto Dominion Bank, Thomson Corp.).

In 1902, Charles Schwab of U.S. Steel, backed by Morgan, combined seven companies into the International Nickel Co. (IN), which, by 1913, controlled over 70% of the U.S. market for nickel (rapidly becoming one of the most important ingredients in making steel alloys). In 1922, Mond Nickel Co. of Ludwig Mond (who had help create Imperial Chemical Industries), was merged with IN, and the firm was registered in Canada, to avoid the first of a series of investigations of IN for monopolistic practices by the U.S. Justice Department. By the 1930s, IN controlled 90% of the western world's nickel supply, with return on sales consistently over 20% until the 1970s. In the mid-1930s, IN signed a long-term contract with IG Farben; during World War II, IN repeatedly refused U.S. government requests to stockpile nickel.

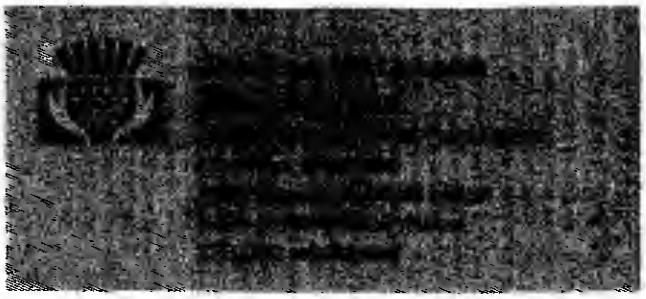
In 1974, IN initiated a radical transformation of U.S. equity markets, by hiring blueblood U.S. investment bank Morgan Stanley to direct IN's hostile bid for ESB, Inc., a leading manufacturer of lead storage batteries. The ESB takeover ushered in the era of hostile takeovers, corporate raiders, and opened the door to junk bonds—all of which allowed the British Empire's dirty money to be laundered by taking over legitimate U.S. businesses. In early 1996, Inco was able to take control of the huge new nickel deposit found at Voisey Bay in Canada.



ING Group is the largest financial firm in the Netherlands, and, according to *Fortune* magazine in August 1994, the third largest diversified financial services firm in the world. ING Group was established in March 1991, with the merger of NMB Postbank Group, and Nationale Nederlanden. These firms, in turn, are traced back to The Netherlands Insurance

Co., established in 1845; The Nationale Life Insurance Bank, 1863; the Post Office Savings Bank 1881; Postal Giro Service, 1918; and Nederlandsche Middenstandbank NV, 1927.

In 1995, ING Group bought the smoking hulk of Barings PLC for £1.



Key personnel:

Simon L. Keswick: director (chairman Trafalgar House; Hanson).

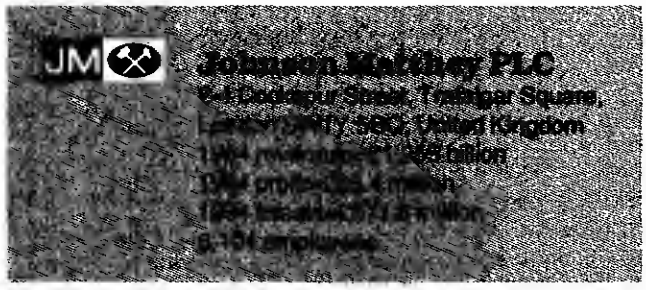
Henry N.L. Keswick: director (The Telegraph).

Sir Charles Powell, KCMG: director (National Westminster Bank, director; private secretary to prime minister 1984-91).

Jardine Matheson is the most notorious of the British Hongkong trading companies. The firm began in 1832, when William Jardine, then a ship's surgeon in the British East India Company, established a small trading concern in Canton with James Matheson, son of a Scottish baronet, and the Danish consul in China. They soon gave up attempting to trade manufactured goods, and began smuggling shiploads of opium into closed ports, bribing harbor masters and watchmen to gain entry and avoid notice of higher authorities. When the Qing dynasty began enforcing a ban on sales of opium in Canton in early 1840, it was William Jardine who persuaded British Foreign Minister Lord Palmerston to initiate the first Opium War against China, providing detailed descriptions of the types of ships that would be required to compel the Chinese to accept "free trade." For its efforts, HM government extracted the island of Hongkong as a new Crown Colony, in which Jardine Matheson was the first purchaser of real estate.

During World War II, John Keswick, grandson of William Keswick, managed to escape the island colony, and served on Admiral Earl Mountbatten's staff. After the war, he attempted to cooperate with the Communists, urging British recognition of the Communist government, and ordering his ships to run the Nationalist blockade. But in 1954, Jardine Matheson finally wrote off $20 million in lost property in China.

In the 1960s and 1970s, the Keswick family battled to maintain control of the firm, and it was not until June 1983 that another family member, Simon Keswick, was able to head the firm. Since the early 1984 announcement that Hongkong would be returned to Chinese control, Jardine Matheson has repeatedly angered Chinese authorities by being the first to re-register elsewhere, and the first to move its stock listing off the Hongkong Stock Exchange.



Key personnel:

David John Davies: chairman 1990-, CEO 1994- (Hill Samuel Group, CEO, joint chairman 1987-88, director since 1973; Jardine Matheson 1983-86; American Barrick Resources Corp. 1986-94; Charter Consolidated [Anglo American], deputy chairman 1988-89; The Wharf Holdings 1992-).

Henry Michael Pearson Miles, OBE: director 1990- (British Petroleum, John Swire, ING Barings Holdings).

The Hon. Geoffrey Hazlitt Wilson CVO: deputy chairman 1994- (National Westminster Bank, chairman 1990-92; London Metal Exchange 1982-).

JM has been processing and marketing precious metals since it was established in 1817, and is a member of the London Gold Pool, which sets the world price of gold each morning in the office of N.M. Rothschild. The founder, Percival Johnson, originally began by offering his services to determine the exact purity of gold in a bar. In 1838, George Matthey was apprenticed to the firm, and guided the firm in establishing a lock on the platinum supplies of Russia. When Johnson retired in 1860, the firm came under the control of Matthey, his younger brother Edward, and Percival Johnson's nephew, John Sellon.

By the 1880s, they had established themselves as the final arbiter of precious metal assaying, including, most importantly, the gold flowing from the new mines of the South African Rand.

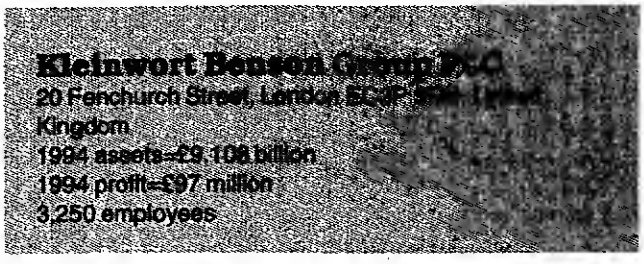
Upon John Sellon's death in 1918, his share of ownership was sold to Consolidated Gold Fields of South Africa Ltd., and the Johannesburg Consolidated Investment Co., both part of the Oppenheimer Anglo American empire. Oppenheimer's major interest in JM has been maintained to the present day.

After World War II, the Bank of England placed severe restrictions on the gold trade, and JM moved into banking in the 1950s by establishing Johnson Matthey Bankers Ltd. From 1981 to 1984, JMB increased its loan book tenfold, from £50 million to £500 million.

Such rapid expansion included a large number of questionable loans, and by September 1984 the Bank of England was forced to organize a major bailout of JMB. The bailout left Charter Consolidated holding a greatly increased stake in JM of 38%, and the Oppenheimers designated Neil Clarke as chairman of JM. In June 1985, Clarke in turn selected Gene Anderson to serve as chief executive.

By this time, JM's lock on world platinum had become very lucrative, since the metal was the principal agent in cata-

lytic converters required on motor vehicles to reduce pollution.



Key personnel:

Lord Rockley: vice chairman 1986-93, chairman 1993- (Christie's International PLC, director 1989- ; Abbey National PLC, director 1990- ; Foreign and Colonial Trust, director 1991-).

David H. Benson: director.

Sir Philip Haddon-Cave, KBE, CMG: director (former Financial Secretary, then Chief Secretary, of the Crown Colony of Hongkong).

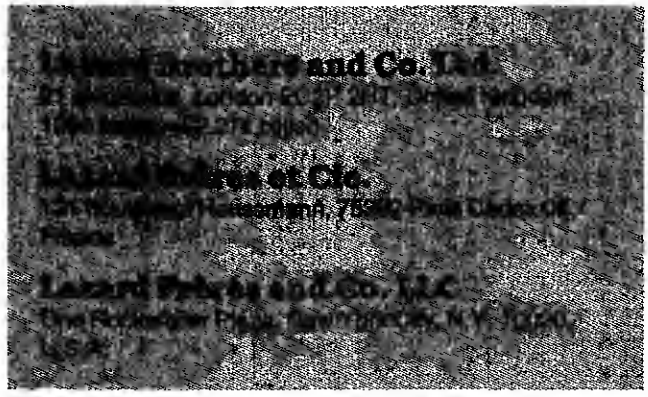
Sir Michael Jenkins, KCMG: director (in HM Diplomatic Service since 1959, including as HM Ambassador to the Netherlands).

Kleinwort Benson is part and parcel of Her Majesty's intelligence services. Sir Ernest Kleinwort and Sir Rex Benson were founders and trustees of the World Wildlife Fund-UK, and Sir Ernest was the moneybags behind the Wildfowl Trust, which was run by veterans of the London Controlling Section of the Forward Operational Planning Section. Sir Rex joined MI-6 in 1916, and financed William Stephenson's World Commerce Corp., which was directed by Sir Charles Hambro and "Wild" Bill Donovan. Benson also served as military attaché to Lord Halifax, ambassador to the United States. It was Sir Rex who promoted his good friend, Stewart Menzies, to become president of "Pop," the most exclusive club at Eton; Menzies would head HM intelligence as "C," from the 1930s until the 1970s.

KB wholly owns Sharps Pixley, one of the five London Gold Pool firms. In the 1950s, KB co-chairman Sir Mark Turner also served as chairman of RTZ, one of the most important nodal points of the Empire; during World War II, he had served in HM Ministry of Economic Warfare.

Kleinwort Benson was formed by the 1961 merger of Kleinwort Sons and Co., and Robert Benson Lonsdale and Co, Ltd. Kleinwort was founded in 1838, and survived the 1920s-30s Depression because of its massive operations in foreign currency and precious metals trading. Benson Lonsdale is traced back to the Benson family's 1780s cotton-trading operations in Liverpool.

In 1984, KB bought ACLI Government Securities of New York City, making KB the first foreign bank to own a U.S. government securities primary dealer (primary dealers deal directly with the Federal Reserve Bank of New York). In 1987, half the interest in KB's energy arm was bought by Consolidated Gold Fields. In October 1995, KB was bought by Germany's Dresdner Bank.



Key personnel:

Michel David-Weill: senior partner.

Antoine Bernheim: senior partner (Assicurazioni Generali).

Viscount Michael Blakenham: partner 1984- (Pearson PLC, CEO 1978-83, chairman 1983- ; *Financial Times,* chairman 1984-93; Sothby's Holdings Inc., director 1987- ; Royal Society for the Protection of Birds, chairman 1981-86; Sussex Wildlife Trust, president 1983- ; Member of House of Lords Select Committees on Science and Technology 1984-88, and on Sustainable Development 1994-95; The Nature Conservancy, Council 1986-90).

The David-Weill family is reportedly one of the oldest oligarchical families in Europe. Nonetheless, the Bank of England forced the London branch to be sold to the Cowdray family (see Pearson profile) in 1919. In the 1980s, David-Weill has striven to recombine the three firms in a holding company called Lazard Partners, of which he is believed to own half, and his sister Eliane another 10%.

Despite their relatively small size, the Lazard branches have always been leaders in mergers and acquisitions, the U.S. branch, for example, playing key roles in General Electric's purchase of RCA; the merger of Time and Warner; the $25 billion leveraged buyout of RJR Nabisco; AT&T's $12.6 billion acquisition of McCaw Cellular Communications. Senior partner Antoine Bernheim is reportedly the mastermind behind the intricate links that allow Lazard to have a hand in most of French finance, and also Italian finance, through a 2% stake in Mediobanca. The Paris house is believed to be involved in two-thirds of all mergers and acquisitions in France.

In the 1980s and 1990s, Lazard Frères was tied to the George Bush networks through Lazard partners on the boards of Zapata Petroleum and Schlumberger. Lazard partners have also always been present on the board of Minorco, the holding company for Anglo American.

Lazard Brothers is cross-owned and cross-directed with Pearson PLC, which owns, among other things, the *Financial Times* and the *Economist.*



Key personnel:

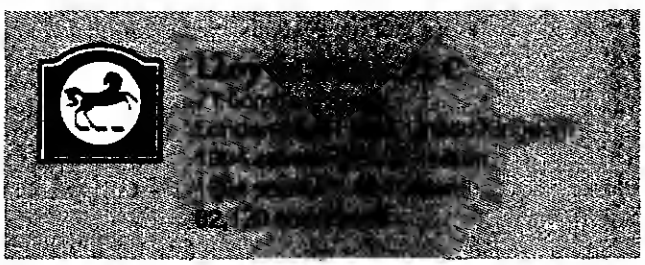
John David Rowland: chairman 1993-95 (S.G. Warburg 1992-).

Peter James Middleton: CEO 1992-95 (HM Diplomatic Service 1969-85; Head of Banking Operations at Midland Bank 1986-87; CEO, Thomas Cook Group 1987-92).

Sir Alan Hardcastle: deputy chairman, and chairman of Regulatory Board 1993- (Chief Accountancy Adviser to HM Treasury, and Head of Government Accountancy Service 1989-93; Board of Banking Supervision 1986-).

Lloyd's traces its roots back to 1688, when shipping merchants and masters gathered at Lloyd's Coffee House. Lloyd's itself does not sell insurance; rather, it is the central market where insurance may be purchased from syndicates of what are called "Names." Traditionally drawn from the wealthiest upper crust of the Empire, a Name collected his share of premiums, and in return pledged *unlimited liability* to meet claims. Historically, Lloyd's bas been self-regulating.

Beginning with Hurricane Betsy in 1965, Lloyd's Names began losing large amounts of money, much of it on business that was poorly supervised. The Lloyd's Act of 1982, established for the first time a formal executive at Lloyd's to be selected by the governor of the Bank of England, who is a statutory member of Lloyd's governing board under the act. Lloyd's also began searching for new blood, signing up *parvenus,* who pledged assets at the wildly inflated prices of the 1980s boom years. Lloyd's was especially keen to bring in American Anglophiles, who jumped at the chance to be associated with an institution so redolent of the English aristocracy. When the bubble burst in the late 1980s, thousands of new Names were completely destroyed. In 1996, a number of U.S. state insurance regulators filed suit against Lloyd's for securities fraud, alleging that U.S. Names had been misled about the risks, and the extent of their personal liability. By this time, Lloyd's Names had reportedly lost over $17 billion since 1985.



Key personnel:

Sir Robin Ibbs: chairman (ICI 1976-80 and 1982-88; adviser to prime minister on Efficiency and Effectiveness in Government 1983-88; Council, Royal Institute on International Affairs 1983-89; deputy chairman Issac Newton Trust 1988-).

Sir David Alan Walker: deputy chairman 1992- (chairman Johnson Matthey Bankers Ltd. 1985-88; Securities and Investment Board 1988-92; Bank of England 1982-93; British Invisibles 1993- ; Reuters Holdings 1994- ; The Group of Thirty 1993- ; Council of Lloyd's of London 1988-92).

Lord Selborne, KBE, FRS, DL: director 1994- (Agricultural and Food Research Council, chairman 1982-89; Joint Nature Conservation Committee, chairman 1991- ; Royal Institute of Public Health and Hygiene, president 1991- ; Royal Commission on Environmental Pollution 1993-).

Sir Michael Edward Quinlan, GCB, KCB, CB: director (Ditchley Foundation; Pilkington; Ministry of Defense 1974-81, Under Secretary of State Ministry of Defense 1988-92; Permanent Secretary Department of Employment 1983-88).

Fourth largest of the four British clearing banks, with 2,700 branches in Britain, and 500 offices in 47 countries. A member of the Lloyd family has been on the board of directors almost continuously since the bank was founded in Birmingham in 1765 as Taylor and Lloyds Bank. One of the few chairmen not a member of the family, Sir Richard Vassar-Smith, was deeply involved in British preparations for World War I, and served as chairman of the 1917 Treasury Committee on Financial Facilities. Lloyds Bank helped control the 1923 banking crisis by taking over Cox and Co., the major bank used by the British Army, with operations in India, Burma, and Egypt. From 1946 to 1954, Lloyds Bank was headed by Lord Balfour of Burleigh.

In 1977, Sir Christopher Jeremy Morse, who had been chairman of the deputies of the IMF's Committee of Twenty, which oversaw the world's transition to floating exchange rates, became Lloyds Bank chairman. After the debacle of developing country loans, Morse steered the bank away from lending to nations and corporations, into "more profitable" ventures, such as foreign exchange and investment management.



Key personnel:

Sir John Henry Gladstone Leahy, KCMG, CMG: chairman 1994- (HM Diplomatic Service, retired; ambassador to South Africa 1979-82; High Commissioner to Australia 1984-88; the *Observer,* 1989-94).

With 640 subsidiaries operating in 48 countries, Lonrho is the largest commercial food producer on the continent of Africa, the largest distributor of motor vehicles in Africa, and the largest textile producer. In Britain, Lonrho prints 90% of Her Majesty's postage stamps.

The London and Rhodesia Land and Mining Co. was originally a subsidiary of Cecil Rhodes's British South Africa Company. Beginning 1961, Lonrho was massively upgraded, using Tiny Rowland as a frontman, by Harley Drayton, personal financial manager of the British Crown, to serve as a "new British East India Company" in Africa during the period of decolonization. The major objective was to ensure that, although the emerging African countries might have nominal political independence, they would be wracked by repeated social convulsions, and their economies would be entirely directed from London. From 1961 on, Rowland was the chief bankroller for the gangs whose genocidal wars have devastated Africa. Rowland often financed both sides of a struggle at the same time.

Drayton's personal assistant, Angus Ogilvy, husband of Princess Alexandra, the Queen's first cousin, recruited Rowland to head Lonrho, and himself served on the board for many years. Princess Alexandra is the head of WWF-UK.

From 1981 to 1993, Lonrho owned the London *Observer* newspaper. In 1992, Lonrho sparked intense controversy when it sold one-third of its Metropole hotel chain to the Libyan government. The stock price plummeted, allowing German developer Dieter Bock to acquire 18% of the company. In 1995, Bock forced Rowland out of Rowland's most important positions in the firm, and in April 1996 began selling control of Lonrho to Anglo American.



Key personnel:

Sir William Purves, CBE, DSO: chairman (HSBC, Shell).

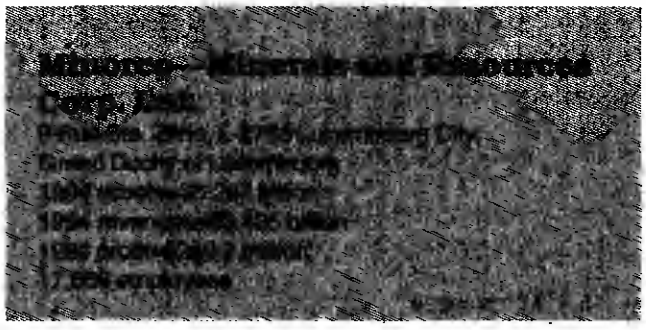
Sir Archibold Forster: director (Lloyd's Register of Shipping, United Newspapers, Trafalgar House).

H.H. Jacobi: director (North Rhine-Westphalia Stock Exchange, president; Deutsche Borse AG).

Charles Miller Smith: director (CEO ICI, Unilever).

Now a subsidiary of HSBC Holdings PLC. In the first half of the 1900s, Midland was the largest bank in the world. First established in 1836 as the Birmingham and Midland Bank, the firm remained a regional bank until 1891, when new general manager Edward Holden began a series of acquisitions, and pushed into foreign exchange in 1906, provoking great criticism at first. But as Midland hauled in rich profits from its foreign exchange operations, the other British deposit banks followed suit. In 1909, Holden was made a baronet.

Upon Holden's death in 1919, the Rt. Hon. Reginald McKenna was made chairman. Besides being on the Privy Council, he had served as First Lord of the Admiralty, Home Secretary, and Chancellor of the Exchequer. Under McKenna, Midland became the largest deposit (commercial) bank in the world, with £457 million in assets by 1934. In 1963, Midland joined with Commercial Bank of Australia, Standard Bank of Canada, and Toronto Dominion Bank to form Midland International Bank. In 1992, HSBC Holdings bought the entirety of Midland for $6 billion.



Key personnel:

Julian Ogilvie Thompson: chairman (Anglo American; De Beers).

Henry R. Slack: president and CEO.

Viscount Etienne Davignon: director (chairman Société Générale de Belgique; Kissinger Associates; Royal Institute of International Affairs).

E. Peter Gush: director (deputy chairman Anglo American).

William R. Loomis Jr.: director (Lazard Frères and Co.).

Nicholas F. Oppenheimer: director (deputy chairman Anglo American; deputy chairman De Beers).

Gavin Walter Hamilton Relly: director (De Beers; Minorco; South Africa Nature Foundation, chairman).

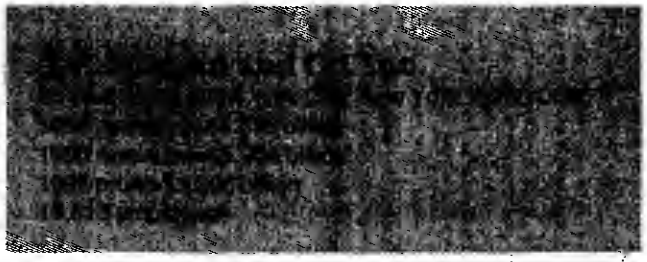
Cedric E. Ritchie: director (Bank of Nova Scotia).

Peter S. Wilmot-Sitwell: director (S.G. Warburg, General Motors).

Minorco is the international holding company of the Oppenheimer empire; thus, it is not surprising that six of Minorco's 20 directors are also directors of Anglo American Corp. of South Africa Ltd., which directly owns 45.8% of the firm. De Beers Centenary AG owns another 23%. Morgan Guaranty Trust Co. holds about another 6% indirectly, through a nominee.

In turn, Minorco owns 32.2% of Engelhard Corp., the U.S. precious metals firm. The relationship goes back half a century, to the close friendship between Charles Engelhard and Sir Harry Oppenheimer. Minorco also owns 9.9% of Johnson Matthey, through a joint venture with Johannesburg Consolidated Investment Co., which itself is owned by Anglo American.

Minorco can be traced back to the 1928 establishment of Rhodesian Anglo American Ltd. as yet another front for the Oppenheimer empire. In 1954, RhoAnglo moved from London to Zambia, and in 1964 was renamed Zambian Anglo American. When the Zambian government seized 51% of the firm's operations in 1970, it was transferred to Bermuda, so as to avoid having to pay taxes on the bonds given by the Zambian government as compensation. In 1974, the firm was renamed Minerals and Resources Corp. Ltd., or Minorco for short. By 1981, Minorco had become the single largest foreign investor in the United States. The U.S. Lazard house has been continuously represented on Minorco's board since 1971, with Felix Rohatyn serving as director until November 1986, when he was replaced by another Lazard partner. Rohatyn was also on the board of Engelhard Corp. at this time.



Key personnel:

Sir Dennis Weatherstone: director; chairman 1989-95; International Council (Bank of England's Board of Banking Supervision).

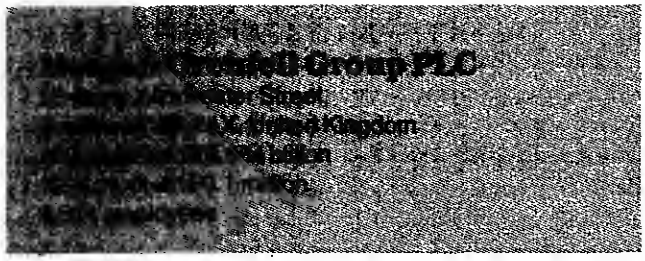
Sir Christopher Hogg: International Council (see Bank of England profile).

The Rt. Hon. The Lord Howe of Aberavon, PC, QC: International Council (see Glaxo-Wellcome profile).

Helmut O. Maucher: International Council (Nestlé SA, chairman and CEO).

Karl Otto Pöhl: International Council (president, Bundesbank, Federal Republic of Germany 1980-91; Sal. Oppenheim Bank 1992- ; Unilever 1992-).

In 1862, John Pierpont Morgan, the son of George Peabody's partner, Junius S. Morgan (see description of Morgan Grenfell, below) was sent to New York City to establish a U.S. branch. After Junius died in 1890, the firm was renamed J.P. Morgan and Co. By this time, the firm had already restructured most of the U.S. railroad industry, which was the bedrock of the U.S. industrial economy at the time. Over the next few decades, J.P. Morgan would buy hundreds of U.S. companies, seizing control and restructuring almost every branch of U.S. industry. Thus were such massive "trusts" as General Motors, U.S. Steel, General Electric, and International Harvester created. By 1912, a congressional investigation found that J.P. Morgan and Co. partners held 72 directorships of 47 different companies, with combined resources of $10 billion. The total value of producers' durable equipment in the United States at the time was $13.8 billion. The 1933 Glass-Steagall Act required a separation of commercial banking from investment banking; J.P. Morgan and Co. continued in commercial banking, while Morgan Stanley Co. was created to underwrite and deal in corporate equities. In 1959, J.P. Morgan merged with Guaranty Trust Co. of New York, and within a few years became the largest trader of U.S. government securities.



Key personnel:

Lord Catto: president 1987- (see General Electric Co. profile).

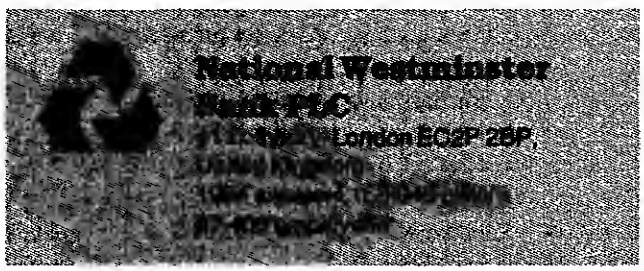
The Hon. David Alexander Cospatrick Douglas-Home, CBE: director 1974- ; (son of Baron Home of Hirsel [chancellor of the Order of the Thistle 1973-92, and former Secretary of State for Foreign and Commonwealth Affairs]; Ditchley Foundation, governor 1977-).

Ellen R. Schneider-Lenne: director (ICI, director).

John Anthony Craven: chairman 1989- (Deutsche Bank 1990- ; S.G. Warburg 1969-73; Group Chief Executive White Weld and Co. Ltd. 1973-78; founder and chairman Phoenix Securities Ltd. 1981-89; Société Générale de Surveillance 1989-).

This is the descendant of the London branch of the House of Morgan, originally established by George Peabody in 1838, and which was joined by Junius S. Morgan in 1854. Upon Peabody's retirement in 1864, the firm was renamed J.S. Morgan (as compared to J.P. Morgan, the U.S. branch named after Junius's son John Pierpont). The firm was renamed Morgan Grenfell after manager Edward Grenfell became senior resident partner in 1910. During World War I, Morgan Grenfell was the key link between HM government, and the firm J.P. Morgan, which lent more money to Britain and its allies than any other institution.

In 1989, Morgan Grenfell was completely bought by Germany's Deutsche Bank.



Key personnel:

Lord Alexander of Weedon: chairman 1989- (called to the Bar, Middle Temple 1961; Panel on Takeovers and Mergers,

chairman 1987-89; Securities and Investments Board, deputy chairman 1994- ; member of the Government's Panel on Sustainable Development 1994- ; RTZ Corp. PLC, director 1991- ; the *Economist*).

Denis Marsden Child, CBE: director (Coutts).

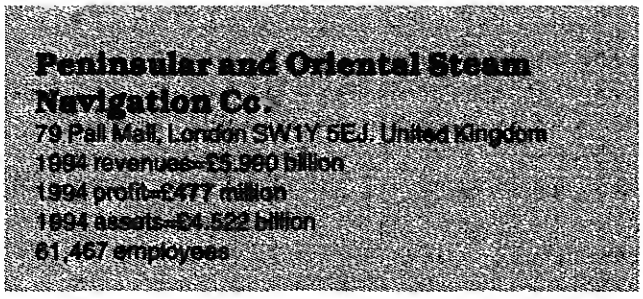
Sir Charles Powell, KCMG: (see Jardine Matheson profile).

Martin G. Taylor, CBE: (see Hanson profile).

The Rt. Hon. The Baroness Young, PC, DL: director 1987- (Privy Council; Lord Privy Seal 1982-83; Minister of Civil Service 1982-83; Minister of State Foreign and Commonwealth Office 1983-87; vice chairman of Conservative Party Organization 1975-83; Leader of the House of Lords 1981-82; vice president of The West India Committee; Ditchley Foundation).

NatWest, as the bank is known, was created in 1968 with the merger of three major British banks, one of which (National Provincial) owned Coutts and Co., the private bank used by the royal family. The two other banks were District Bank, organized in 1829, and Westminster Bank, organized in 1834. After the merger, Coutts was continued as a separate operation, and continues to serve the royals, and other wealthy clients.

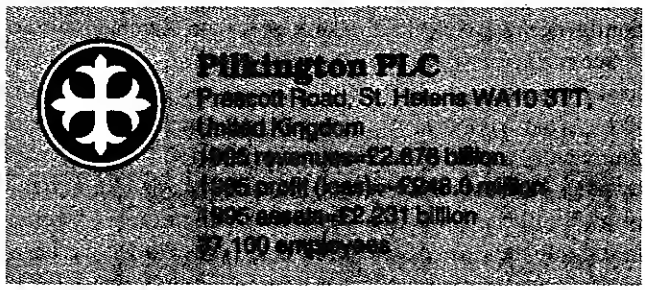
Lord Kingsdowne was chairman of National Westminster for six years, before he became governor of the Bank of England in 1983. In 1989, it emerged that NatWest had concealed the failure of a public stock issue of the firm Blue Arrow, in order to preserve the reputation of NatWest's fledgling investment banking arm. The scandal eventually forced Lord Boardman to resign as chairman.



Key personnel:

Lord Hambro: director (see Hambros profile).

The establishment of the P&O is traced back to an August 1837 contract to carry the Empire's mail between England and the Iberian peninsula. In the 1840s, the greater speed and reliability of P&O vessels made the P&O a serious rival to the British East India Co., and by 1845 P&O was one of the largest shippers of opium to China. In 1914, Thomas Sutherland, who had organized the Hongkong and Shanghai Bank in 1865, secretly negotiated the merger of P&O with the British India Steam Navigation Co., then retired, allowing Lord Inchcape to assume control. The two companies shared the same board of directors until 1958, when B&I was reorganized as Inchcape Ltd. P&O remains a major force in world, especially containerized, shipping.



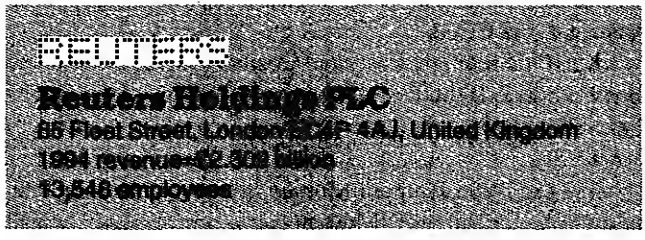
Key personnel:

Sir Antony Richard Pilkington: chairman (NatWest 1990-94; ICI).

Sir Robin Nicholson, FRS: director (British Petroleum; HM Council for Science and Technology).

Sir Michael Edward Quinlan, GCB, KCB, CB: director (Ditchley Foundation; Ministry of Defense 1974-81, Under Secretary of State Ministry of Defense 1988-92; Permanent Secretary Department of Employment 1983-88).

Originally established as the St. Helens Crown Glass Company in 1826. In the 1920s, Pilkington was saved by its collaboration with Ford Motor Co. in developing a continuously cast ribbon of sheet glass. During World War II, company executive Ronald Weeks served as deputy chief of the Imperial General Staff, and afterward was chairman of Vickers, and was made a lord in 1956. In 1966, Pilkington began collaborating with the U.S. firm Perkin-Elmer Corp. in the manufacture of optical and electro-optical systems, which gives Pilkington access to U.S. defense secrets.



Key personnel:

Sir Christopher Hogg: chairman 1985- (see Bank of England profile).

Pehr Gyllenhammer: director (Pearson, Kissinger Associates).

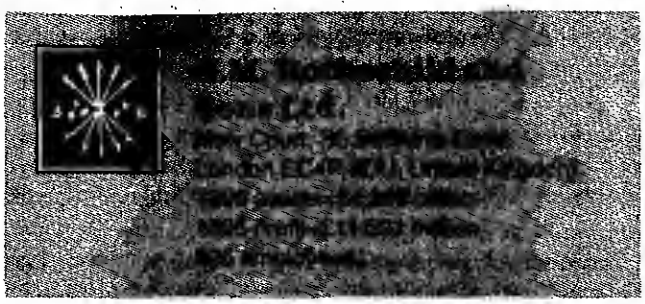
Charles Sinclair: director 1994- (Daily Mail and General Trust PLC, 1975-, CEO 1988-; Euromoney Publications PLC, director 1985-; Schroders PLC, director 1990-).

Peter Job: director (Grand Metropolitan).

Sir David Alan Walker: director 1994- (see Lloyds Bank profile).

Reuters provides the basic infrastructure for the financial markets, now estimated at over $3 trillion a day. Only 6% of Reuters' revenues come from its news wires service. Almost

all off-exchange transactions in the world's financial markets are conducted using a computer terminal leased from Reuters, tying together the world's traders into one system. The vast intelligence capability this gives Reuters can only be guessed at. See further discussion in the profiles of British news media, p. 33).



Key personnel:

Sir Evelyn de Rothschild: chairman.

Baron David de Rothschild: deputy chairman.

Leopold de Rothschild: (owns parent Rothschilds Continuation Ltd.).

Edmund de Rothschild: (owns parent Rothschilds Continuation Ltd.).

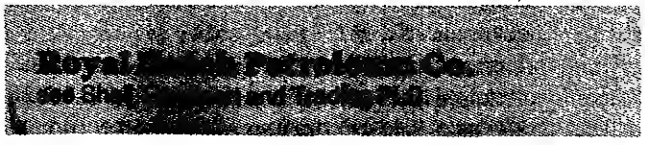
Lord Armstrong of Ilminster: director (see BAT profile).

Sir Derek Thomas: director (Ambassador to Italy 1987, Council of the Royal Institute of International Affairs).

The Rt. Hon. The Lord Wakeham: director 1995- (Privy Council; Lord Privy Seal 1987-88; Leader of the House of Commons 1987-89; Leader of the House of Lords 1992-94, Secretary of State for Energy 1989-92, Enron Corp.).

Mayer Amschel Rothschild began as a clerk for the German Oppenheimers, and in the early 1700s founded his own firm, with help from the Thurn und Taxis (Torre e Tasso) family, which operated the postal service of the European monarchies since the 1500s. The German branch of the Rothschilds leased Hessian soldiers to King George III for combat against the Continental Army during the American Revolution. In 1803, N.M. Rothschild was established as the London branch of the family, and ran the official smuggling operations of the House of Hanover. N.M. Rothschild has financed the expansion of the Venetian-modeled British Empire, including the purchase of the Suez Canal. Among the major Empire firms the Rothschild fortunes have helped establish are Anglo American, De Beers, and Royal Dutch Petroleum. Rothschild gold helped save the Bank of England in 1825.

During the twentieth century, N.M. Rothschild, along with Swiss and French relatives, has financed and controlled Bernie Cornfeld, Robert Vesco, Drexel Burnham Lambert, and George Soros.



The RTZ Corporation PLC.

6 St. James's Square,
London SW1Y 4LD, United Kingdom
1993 sales--$7.137 billion
59,975 employees

Key personnel:

Sir John Derek Birkin: chairman (see Barclays profile).

Sir Denys Hartley Henderson: director (see Barclays profile).

Lord Armstrong of Ilminster: director (see BAT profile).

Lord Alexander of Weedon: director (See NatWest profile).

Sir Martin Wakefield Jacomb: deputy chairman (see Bank of England profile).

Sir David Simon, CBE: director (see Bank of England profile).

RTZ's 1995 re-amalgamation with CRA Ltd. of Australia makes RTZ the largest mining firm in the world. RTZ is traced back to a firm originally established in 1873 by Hugh Matheson of Jardine Matheson. CRA was originally Conzinc Rio of Australia, part of the Rio Tinto Zinc complex, from 1962 to 1987.

Lord Alfred Milner was a Rio Tinto director in the 1920s. RTZ's third chairman, Sir Auckland Geddes, worked closely with Sir Ernest Oppenheimer in reorganizing control of raw materials production in Africa in the 1920s and 1930s to prevent inroads by U.S. firms. Under Sir Mark Turner (co-chairman of Kleinwort Benson in the 1970s) and Sir Val Duncan (director of the Bank of England in the 1960s), RTZ moved to control world uranium production. An RTZ subsidiary had been supplying Britain's military with uranium from the large deposits of Rum Jungle south of Darwin, Australia since 1954, and in 1958 acquired the Mary Kathleen Mine in Queensland. Within a year, the Mary Kathleen was closed, ostensibly because of a decline in the price of uranium, causing a major shortage of uranium for the fledgling nuclear power industry. Unable to meet its commitments to supply fuel rods to customers, Westinghouse brought legal action against CRA and RTZ. After a U.S. court ordered that officials of RTZ and CRA appear to answer questions, RTZ directors appealed to the House of Lords, and shortly thereafter British magistrates ruled that the U.S. subpoena was "an unacceptable invasion of British sovereignty." At the same time, CRA appealed to the Australian government, which responded by passing unique legislation prohibiting CRA from obeying the U.S. court.

In 1975, the governor general of Australia, who answers only to the British throne, dismissed Gough Whitlam as prime minister because his action threatened RTZ's control of Australian resources. In 1988, CRA discovered a massive ore field in Horsham, Victoria, which observers believed would allow CRA to dominate the world markets for titanium and

zircon for decades. Queen Elizabeth reportedly holds a major stake in RTZ (over half the company is controlled by 126 "accounts"); it was actually RTZ that owned most of the Argyll Field oil and gas field in the North Sea.



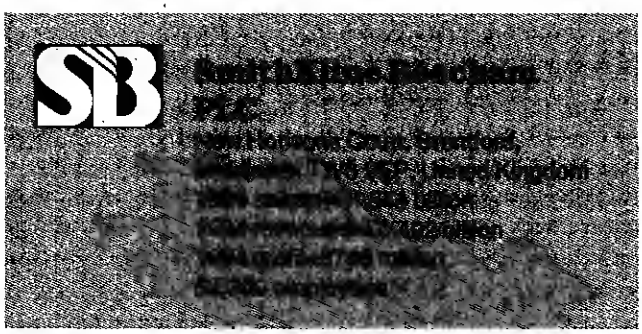
Key personnel:

Georg Wilhelm von Mallinckrodt: president (married into Schroder family 1958; Kleinwort Sons and Co. 1953-54; J. Henry Schroder Banking 1957- , director 1967; Siemens PLC, director 1987- ; German-British Chamber of Industry and Commerce, vice president 1971-92, president 1992-95; British North American Committee 1988-).

Sir Ralph Robbins: director (Standard Chartered).

Charles Sinclair: director (see Reuters profile).

Established in 1804, Schroders PLC is an international merchant and investment banking firm, concentrating on corporate finance; trading in government securities, foreign exchange, and arbitrage; investment management—the firm represents itself as the largest foreign pension manager in the U.S.; commercial banking, leasing and project finance; and venture capital and mergers and acquistions. The Schroder family still owns an estimated 40% of the firm.



Key personnel:

Paul Arthur Allaire: director (Xerox, director 1966 - , chairman 1991- ; New York Stock Exchange, director; Council on Competitiveness; Council on Foreign Relations).

Andrew Robert Fowell Buxton: director (Barclays Bank).

Sir Robert Anthony Clark: director 1987- (Hill Samuel Bank, director 1961-91, chairman 1974-88; Bank of England, director 1976-85; Eagle Star Holdings, director 1976-87; Shell Transport and Trading, director 1982-94; Mirror Group Newspapers PLC, director 1991, chairman 1992-).

Sir Christopher Hogg: (see Bank of England profile).

Donald F. McHenry: director 1982- (U.S. State Department 1963-77; Carter transition team 1976-77; deputy U.S. representative to the UN Security Council 1977-79; U.S. Ambassador to UN 1979-81; International Paper Co., director 1981- ; Bank of Boston Corp., director 1981- ; Coca Cola Corp., director 1982- ; AT&T, director 1987- ; Institute for International Economics; American Ditchley Foundation; Africare, chairman; Brookings Institution; Council on Foreign Relations; United Nations Association of U.S.A., board of governors; Professor of Diplomacy and International Affairs, Georgetown University 1981-).

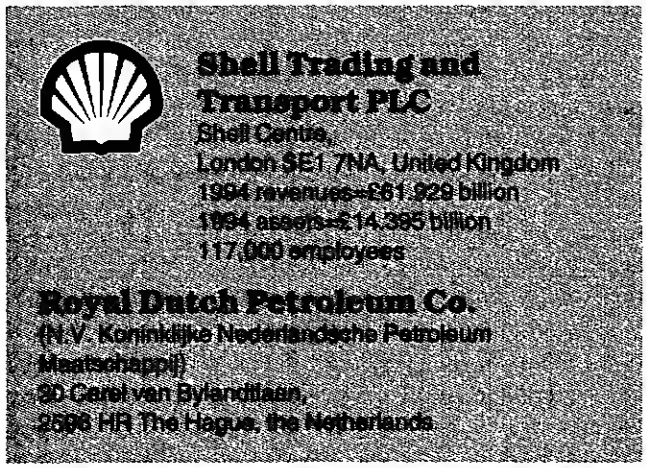
Sir Peter Ingram Walters: director 1989-, chairman 1994- (see HSBC profile).

The fifth largest pharmaceutical firm in the world, with the third largest over-the-counter sales, SmithKline Beecham is traced back to an apothecary established by Thomas Beecham in England in 1847.

In the 1930s, the firm acquired Macleans (toothpaste) and Brylcreem (men's hair cream). In the 1970s, it acquired Massengill; Calgon; Jovan; J.B. Williams (Aqua Velva, Sominex, Geritol); Germaine Monteil (Yardley), sold in 1990; and Norcliff Thayer (Tums).

In 1989, Beecham merged with SmithKline, a U.S. firm which had begun in Philadelphia in 1830, and which had developed the amphetamines Benzedrine and Dexedrine, Contac (cold medicine), and ulcer medication Tagamet.

In the 1980s and 1990s, SmithKline Beecham has been one of the largest funders of neo-conservative think-tanks in the United States, such as the Heritage Foundation.



Key personnel:

Sir Peter Fenwick Holmes: MC, director, chairman 1985-93 (WWF-UK, president).

Lord Armstrong of Ilminster: director 1988- (see BAT profile).

Sir Peter Brian Baxendell, CBE: director 1973- (Inchcape PLC 1986-93).

Sir John Anthony Swire CBE: director.

Sir Antony Acland, GCMG, GCVO: (Permanent Under-Secretary of State, Foreign and Commonwealth Office; Head of HM Diplomatic Service 1982-86; Ambassador to U.S.

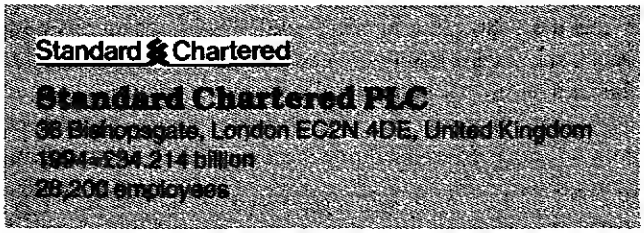
1986-91).

Sir William Purves, CBE, DSO: director (HSBC).

Shell Transport and Trading is the British holding company that owns 40% of the Royal Dutch Shell group of over 2,000 companies worldwide. The other 60% is owned by Royal Dutch Petroleum Co. Together, the combined Royal Dutch/Shell complex is the largest producer of petrochemicals in the world, and one of the largest producers of agricultural chemicals, such as pesticides and insecticides.

Its origins are in the 1880s distribution of Rothschild-owned petroleum produced in Russia by London merchant Marcus Samuel. Royal Dutch Petroleum was formed in the 1890s by Sir Henri Deterding, who in 1903 created the Asiatic Petroleum Co., owned jointly by Royal Dutch, Shell, and the French branch of the Rothschilds. Royal Dutch and Shell were formally linked in 1907, and Deterding soon ascended to the highest levels of British intelligence.

It is renowned for its sophisticated geopolitical planning, which results from the "revolving door" between Shell Transport, and British intelligence and foreign policy establishment throughout this century. Both the British and Dutch royal families are reported to own sizable chunks of the two parent companies.



Key personnel:

Patrick Gillam: chairman.

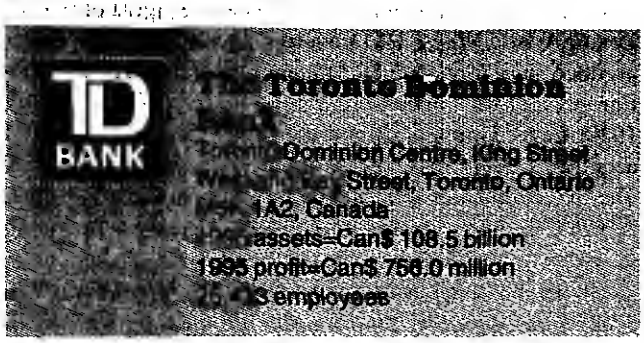
The Rt. Hon. The Lord Stewartby: deputy chairman 1993- (Privy Council; Brown Shipley and Co. 1960-83, director 1971-83; principal private secretary to Chancellor of the Exchequer 1979-83; economic secretary to Treasury 1983-87; The Throgmorton Trust PLC, chairman 1990- ; life governor of Haileybury 1977).

Keith Mackrell: director.

Sir Ralph Robbins: director.

One of the four London clearing banks, Standard Chartered is the result of the merger two of the Empire's major colonial banks: The Chartered Bank of India, Australia, and China, orginally chartered by Queen Victoria in 1853 to develop colonial trade in Asia, and in 1957 had also acquired the Eastern Bank, which operates in the Middle East; and Standard Bank of British South Africa, chartered for Cecil Rhodes in 1862.

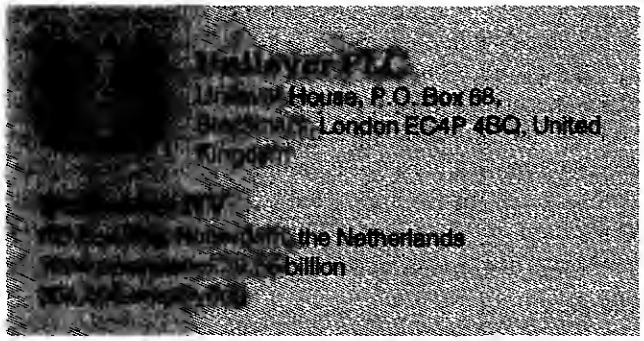
The process of merging the two banks was begun in 1969, under Sir Cyril Hawker, who had served at the Bank of England since 1920—the same year Monatgu Norman became governor. In 1973, Standard Chartered established itself in precious metals by acquiring Mocatta and Goldsmid Ltd., a member of the London gold pool, from Hambros.



Key personnel:

Richard Murray Thomson: chairman 1976- (Thomson Corp.; Inco Ltd.).

The Torooto Dominion Bank, the fifth largest Canadian bank, is the result of the 1955 merger of the Bank of Toronto (established 1855), and the Dominion Bank (established 1871).



Key personnel:

Lord Wrigbt of Richmond, GCMG: (see Barclay's profile).

Sir Derek Birkin, director: (see Barclays profile).

Viscount Leverhulme, KGTD: (grandson of William Lever, largest stockholder in Unilever, and funder and builder of Prince Philip's World Wide Fund for Nature [WWF], the coordinating arm for British intelligence).

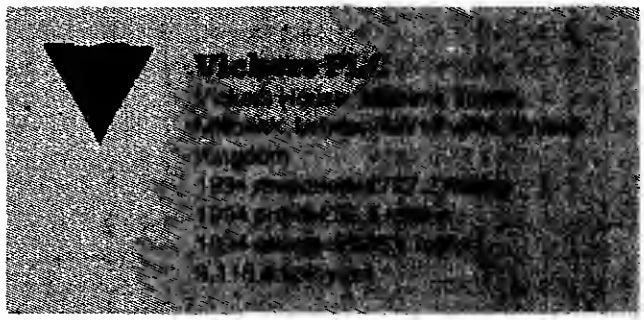
Karl Otto Pöhl: director (see J.P. Morgan profile).

Unilever is the world's largest producer of: ice cream and margarine; one of the top five world exporters of milk powder; second largest producer of soaps and detergents; and one of the top five world processors of edible fats and oils. Brand names in the U.S. include Calvin Klein, Fabergé, Birds Eye, Good Humor, Lipton, Ragù, Aim, Close-Up, Cutex, Pepsodent, Pond's, Q-Tips, Vaseline, Dove, Lifebuoy, Lux, and Surf.

Unilever owns vast plantations in Africa and is also Africa's largest trading company, through subsidiary United Africa Co. The corporate structure includes over 500 companies operating in 75 countries.

In 1885, Englishman William Lever and his brother James formed Lever Brothers, to produce and mass market soaps. During World War I, HM government requested that Lever produce margarine to reduce reliance on butter supplies from Europe, and was made Lord Leverhulme for his efforts. By 1929, Lever Brothers owned the Niger Co., and used it to acquire its larger rival, the African and Eastern Trading Co. The two companies were merged to become Lever's United Africa Company, which was the largest enterprise operating in Africa for the next two decades.

In the Netherlands, rival butter makers Jurgens and Van den Berghs, pioneers in margarine production, merged in 1927 to create the Margarine Union, a cartel that owned the European market. In 1930, the Margarine Union and Lever Brothers merged, forming Unilever.

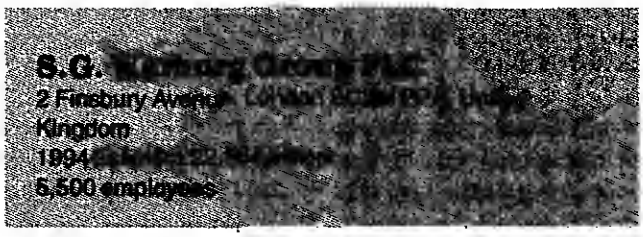


Key personnel:

HRH The Duke of Kent, KG, GCMG, GCVO, ADC: director.

Martin Taylor: director (see Hanson profile).

Known historically as the "armorer to the nation," Vickers was first established in 1828 as steelmaker Naylor, Hutchinson, Vickers and Co. in Sheffield. It became Vickers Sons and Co. in 1867, and Vickers Sons and Maxim Ltd. in 1897, after developing the Maxim machine gun. Vickers developed the first tank during World War I. In 1980, Vickers acquired Rolls Royce, a long-time collaborator of the firm.



Key personnel:

Lord Cairns: chairman (see BAT profile).

Lord Roll of Ipsden, KCMG, CB: chairman 1974-86, president 1986-95, senior adviser 1995- (professor of economics University College, Hull 1935-46; U.K. Executive Director IMF and World Bank 1963-64; Times Newspapers Holdings Ltd., director 1967-83; Bank of England, director 1968-77).

Sir David Scholey: chairman (see Bank of England profile).

Sir Colin Corness: director (see Bank of England profile).

F.R. Hurn: director (ICI, Pilkington).

Peter S. Wilmot-Sitwell: director (Minorco, GM).

John David Rowland: director (Lloyd's of London chairman 1993-95).

Established in Britain in 1934 by Siegmund Warburg, a Jewish refugee from Hitler's Germany. The Warburgs may be the oldest continuously active banking family in the world, tracing their history back to a money changer named Simon von Cassel who settled in the town of Warburg, in Westphalia, Germany, in 1559. Other members of the Warburg family were located in Altona, one of whom, Marcus Gumprich Warburg, moved to Hamburg in 1773. It was Marcus's two sons, Moses and Gerson, who established M.M. Warburg and Co. in 1798. By 1814, the firm was dealing in gold with N.M. Rothschilds and Sons in London. In the 1850s, a daughter of the family married Paul Schiff, director of the Kreditanstalt in Vienna. When the Free Hanseatic City of Hamburg needed a massive loan of silver to forestall a financial panic in 1857, and was turned down by Prussia, the Warburgs offered to obtain the loan, using their influence in the Schiff family. This was the beginning of the Warburgs' close connections with the Hapsburg Empire, which were cemented by a series of intermarriages.

Marcus Warburg's grandson Moritz's five sons became known as the "five Hamburgers." Two sons, Paul and Felix, married into the U.S. firm of Kuhn Loeb and Co., by that time dominated by Jacob H. Schiff. Felix married Schiff's daughter, and Paul married Loeb's daughter. Paul Warburg was one of the major forces in establishing the U.S. Federal Reserve System in 1913; and served as one of the first Fed governors. Another son, Max, had repeated discussions with Lord Milner and Lord Grey about financial and other operations in Morocco, Nyasaland, and other parts of Africa.

In 1958-59, Warburg masterminded the carve-up of British Aluminium between Reynolds Metal of the United States and what is now TI Group PLC, in Britain's first-ever hostile takeover, and setting the stage for the complete wrecking of the Western industrial economies under the guise of "Anglo-Saxon" banking and "shareholder rights." The present group was forged by chairman Sir David Scholey, who merged Rowe and Pitman (stockbrokers to the Queen), gilts firm Mullen and Co. and jobbers Ackroyd and Smithers with Warburg's merchant bank and fund manager Mercury Asset Management in the mid-1980s. The chairman of Warburg, Lord Cairns, also serves as the personal financial investment adviser to Prince Charles.

In early 1995, the Bank of England attempted to secretly have Morgan Stanley bail out Warburg, which had sustained devastating losses in 1994 on its bond portfolio trades, but was unsuccessful.

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